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SEPTEMBER

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MONTH

NORTH



1911

1936

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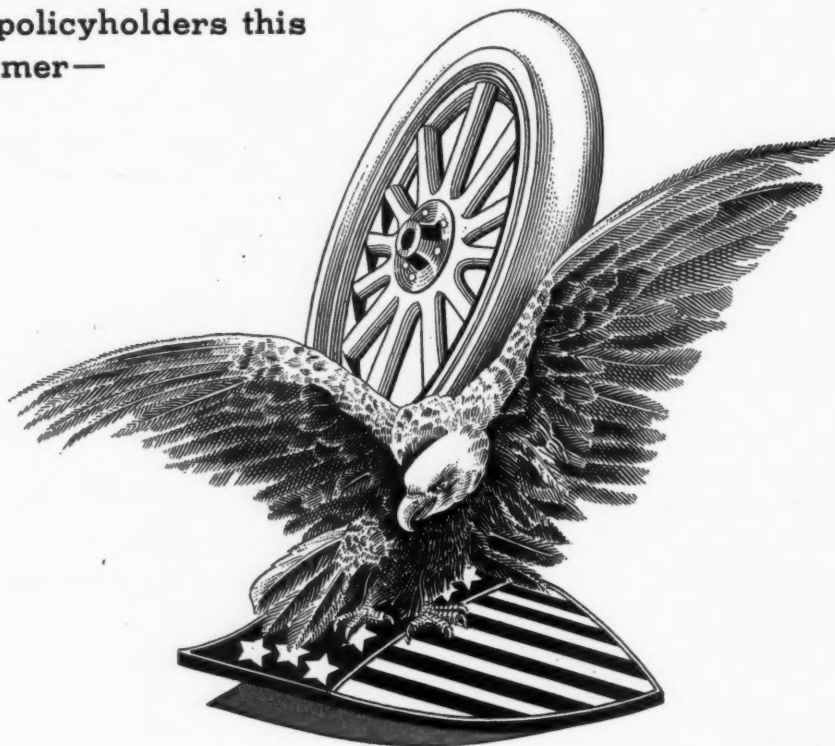
**THOMAS T. NORTH
ADJUSTMENT COMPANY**
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THURSDAY, SEPTEMBER 24, 1936

AMERICAN AUTO AGENTS—

As usual, have turned
in a fine performance
of *Countrywide Service*
to thousands of touring
policyholders this
summer—



Admitted Assets
more than
\$14,000,000

Surplus to Policyholders
more than
\$5,000,000

NATIONWIDE BRANCH OFFICE FACILITIES

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Manager

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Resident Vice-President

CINCINNATI
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Cameron H. Sanders, Manager
R. I. Taylor, Associate Manager

CLEVELAND
Hanna Building
George W. Talles
Resident Vice-President

DETROIT
National Bank Bldg.
Robert Z. Alexander
Resident Vice-President

INDIANAPOLIS
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M. W. Doyle
Manager

KANSAS CITY
1050 Dierks Bldg.
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Manager

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Pierce Building
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Manager

SAN FRANCISCO
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George E. Adams
Resident Vice-President

SEATTLE
518 Skinner Building
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AMERICAN AUTOMOBILE INSURANCE COMPANIES

L. A. HARRIS, President

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"Oldest and Largest Insurers of Automobiles Exclusively"

GET THEM TO LOOK INTO THE FUTURE!

Tell clients who are considering cut-rate liability insurance to assume that they are defendants in a liability suit - then ask themselves which they would rather have:-

A cut-rate policy on which they have saved a few premium dollars?

OR

Insurance in a strong Stock company with a time tested record of service to policyholders and reputation for fair dealing?

PROVED BY THE ACID TEST OF TIME

America Fore Insurance

THE CONTINENTAL INSURANCE COMPANY
AMERICAN EAGLE FIRE INSURANCE COMPANY
FIDELITY-PHENIX FIRE INSURANCE COMPANY
FIRST AMERICAN FIRE INSURANCE COMPANY

Eighty Maiden Lane,



and Indemnity Group

NIAGARA FIRE INSURANCE COMPANY
MARYLAND INSURANCE COMPANY OF DELAWARE
THE FIDELITY AND CASUALTY COMPANY
ERNEST STURM, Chairman of the Boards
BERNARD M. CULVER, President

New York, N.Y.

NEW YORK

CHICAGO

SAN FRANCISCO

ATLANTA

DALLAS

MONTREAL

PUBLIC ENEMY

No 5 Sickness



The fear of serious or prolonged illness and its possible consequences is a NIGHTMARE that perpetually haunts the thoughts of the bread-winner responsible for the up-keep of the home. When despite our best efforts at prevention illness comes, the work and savings of a lifetime may vanish, while the DEMONS of worry and despair cruelly prod their victim. The worst sting of impaired health can be alleviated if in our days of health and vigor adequate INSURANCE has been provided to span the gap left by the inroads of sickness.

LOYALTY GROUP

Firemen's Insurance Company of Newark, New Jersey—ORGANIZED 1855

The Girard Fire & Marine Insurance Co. ORGANIZED 1853
The Mechanics Insurance Co. of Philadelphia " 1854
Superior Fire Insurance Company " 1871
The Metropolitan Casualty Insurance Co. of N.Y. " 1874

WESTERN DEPARTMENT

844 RUSH STREET, CHICAGO, ILLINOIS
CANADIAN DEPARTMENT
451 BAY STREET, TORONTO, CANADA

EASTERN DEPARTMENT

10 Park Place
Newark, New Jersey

Milwaukee Mechanics' Insurance Company ORGANIZED 1852
National-Ben Franklin Fire Insurance Co. " 1866
The Concordia Fire Insurance Co. of Milwaukee " 1870
Commercial Casualty Insurance Company " 1909

PACIFIC DEPARTMENT

220 BUSH STREET, SAN FRANCISCO, CAL.
SOUTH-WESTERN DEPT.
912 COMMERCE STREET, DALLAS, TEXAS

Main Features at Hershey Meeting

Stabilization of Brokerage Was
Paramount Theme in Presi-
dential Address

VIOLATION QUESTION UP

Attempt Was Made to Give the Man-
agement Sufficient Police Power
to Punish Offenders

A. F. Powrie of Chicago, western manager of the Fire Association, in his presidential address before the members of the Western Underwriters Association, brought to the front a subject that has been occupying the attention of many officials in different sections of the country. He referred to the practice of some companies in paying higher compensation to brokers on the same class of business than they do to their regular licensed agents. The usual excess is about 5 percent.

Business from Large Cities

The business comes from big city brokers of high reputation and splendid equipment. They secure a big line of insurance covering properties in different locations. They have the underwriting, inspection and engineering machinery to whip the schedule into shape and present a picture to a company that is very alluring. The company is relieved of what might be called service work because it has been perfectly done by the brokerage house. Therefore its expense is reduced. The broker makes connections with companies that are not so well entrenched in a local agency way and do not have a large field force. They could well afford to pay the 5 percent extra and they do so with the hope that they will not run counter to any agents who will raise a complaint.

Issue with Organization Companies

The organization companies therefore are confronted with a serious problem. They are offered the same business and on the same terms. Yet if they write it they are quite sure to run counter to the agents. A brokerage house naturally is desirous of not paying any commission to resident agents if it can be avoided. Organization companies sit back and see this desirable business going to outsiders and naturally it does not set well.

Here and there there is some yielding and organization companies are found to have taken lines but save their conscience with the thought that unless they did do this they simply would bite off their nose to spite their face.

In the Greater New York City area the companies have the brokerage situation under better control so far as the paying of excess commissions is concerned. The battle ground is in the great open spaces and especially in the central west and southeast. Here companies are coming constantly in contact

Interesting Sidelights on White House Parley

By E. J. WOHLGEMUTH

Echoes from President Roosevelt's conference with a number of leading life insurance executives indicate that the plans for the meeting were well worked out and have accomplished definite results in clearing up some of the misunderstandings that have existed regarding the attitude of the administration toward the insurance business.

Credit for the idea goes to W. C. Safford, vice-president of the Western & Southern Life and J. A. Beha, former New York superintendent and now manager National Bureau of Casualty & Surety Underwriters who some months ago suggested to friends in the administration that it would be a very good thing if the President would invite a few representative executives to meet with him in an informal way and clear up as far as possible some of the disturbing rumors that have been current for some time.

Several Questions Arose

For one thing, more or less definite statements have been coming out of Washington that there was to be a Congressional investigation of life insurance this winter; another, that the system of state supervision was in the balance and that there would be a big drive to federalize or nationalize the insurance business through a federal insurance department; the social security legislation has also been an interesting topic as to whether it was merely the entering wedge for a wholesale scheme of government insurance. The position of the Reconstruction Finance Corporation with regard to insurance and such questions as farm and city loans financed by the government were all interesting topics in the minds of insurance men.

Mr. Safford and Mr. Beha visited Mr. Roosevelt at his home in Hyde Park early in August and were asked to get up figures and data on life insurance which might help the President more fully to understand the life insurance situation. The result was that invitations were issued from the President's train while he was on his western trip to the executives of two companies in New England, two from New York and two from the west. The President did not wish to have too large a group, which might make the conference unwieldy.

It is understood that the meeting at the White House was very pleasant all around and that the executives came out with a high regard for the President personally and his intelligent grasp of life insurance problems. There is no doubt that this conference cleared away many of the doubts which have existed in the minds of insurance men with regard to the present administration's attitude toward insurance.

For one thing, his opening remarks

with these lines offered by big city brokers in a very attractive way.

President Powrie stated that this situation is acute; it is one that is having a very deleterious effect. He said that

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were to the effect that the only real business he had ever been in himself was insurance, as he was vice-president of the Fidelity & Deposit at New York City, that he had given a great deal of thought to it as one of the pillars of social security toward which he has been aiming and that, while he had had few contacts with insurance men, he had kept a sharp eye on the business during his presidency. He felt that on the whole the insurance men had done a pretty good job. He pointed to the fact that the government had assisted the business in various ways, such as relieving the companies in the farm and city mortgage fields and in loaning funds to companies through the Reconstruction Finance Corporation.

Opposed to Any Investigation

His invitation had mentioned the subject of social security legislation and in the discussion it was pointed out that the small amounts for old age benefits would be supplemented very greatly by the reserve values on life insurance policies which by many would be turned into monthly income benefits for old age. It was brought out that life insurance as a whole is not antagonistic to the comparatively small old age benefits provided for in the social security act.

President Roosevelt greatly relieved the executives by his statement that he is opposed to any Congressional investigation of life insurance and also that he sees no need for federal supervision which would only duplicate the existing state supervisory system and make one more bureau to which the companies would have to report. He regards the present machinery as ample.

Statement of Knox

It happened that shortly before the meeting Vice-presidential Candidate Knox had made some statements with regard to the safety of life insurance policies due to possible inflation, etc. There was no political tinge to the conference as that was the understanding when the meeting was arranged; of course, the invitations had gone out before Mr. Knox made his speech. It is understood the matter was not even mentioned during the conference. At the same time, the daily press seized upon the circumstance and gave the conference a national significance in the public mind which it might not otherwise have had. When the President was asked regarding the Knox speech during his press conference afterward his only comment was that "the matter speaks for itself." The fears of inflation and the possible danger to the holders of life insurance policies through ultimate payments in depreciated dollars appears to be dying down.

On the whole, the conference with the President by leading life insurance executives is regarded as a decided success in clearing up the true attitude of the administration and in paving the way for a better understanding all around with regard to the government in its relation to the life insurance business and insurance in general.

Federal Body May Reopen War Cases

Much Interest in Black Tom and
Kingsley Munitions Plant
Destruction

NEW EVIDENCE CLAIMED

Fire and Marine Carriers Were
Awarded Damages. But Many
Claims Are Still Unpaid

NEW YORK, Sept. 23.—Fire and marine underwriters have a very definite interest in the probable reopening of the Black Tom terminal and Kingsley munitions plant cases, by the mixed claims commission at Washington, within the next few days. A meeting was set for Sept. 17 but was postponed. On the allegation that destruction of both properties was caused by agents of the German government—one in 1916 and the other in 1917—to prevent shipment of munitions to allied forces in the world war, claims for approximately \$50,000,000 were filed against Germany, and were reviewed by the commission, which decided in December, 1932, that the charge of sabotage by German representatives had not been sustained. Effort to reopen the case at this time is due to reputed discovery of evidence refuting testimony offered on behalf of the German government four years ago.

Damages Are Awarded

Apart from the explosion claims, the commission reviewed claims made by American marine insurance companies for losses sustained by vessels sunk by German submarines prior to entry of this country into the war. In all some 60 insurance carriers were awarded total damages of \$25,035,585, plus interest at the rate of 5 percent from Nov. 11, 1918. Companies granted over \$2,000,000 each, aside from interest, included: the Globe & Rutgers, \$6,591,422; North America, \$5,134,814; Federal of New Jersey, \$2,379,382; St. Paul Fire & Marine, \$2,315,247; Boston, \$2,194,841 and Atlantic Mutual, \$2,153,854. Six additional companies were allowed about \$1,000,000 each, grants to a long list of others being for lesser sums.

Partial payment was made, the North America, for one, receiving \$3,885,000. It was agreed the balance of the awards would be forthcoming in semi-annual instalments on March 30 and Sept. 30 of each year. The German government, however, defaulted in its payments five years ago, no remittances having been made to any of the companies within that time, although the federal government formally advised Germany of the obligation twice annually.

Although still the largest creditor under the mixed claims commission award, the Globe & Rutgers in its latest

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Wisconsin Commissioner's Order Affects Marine Line

IMPOSES STATE RATE RULE

Requires Daily Reports on Cover Involving Fire, Tornado to Go Through Bureau

MADISON, WIS., Sept. 23.—The controversy since 1932 between companies writing inland marine and transportation lines and Commissioner Mortensen of Wisconsin was heightened by his signing of an order providing that inland marine policies covering, among other hazards, fire and tornado, must conform to Wisconsin rates. This means that inland marine companies' rates for the fire and tornado coverage will be subject to state regulation; that they must be audited, and that Wisconsin bureau rates for fire and tornado must be used.

The order is interpreted to mean that all marine writings will be subject to the 2 percent fire department tax. Company men say this is undoubtedly the primary reason for the order.

Require Compliance by Oct. 1

All marine companies have been notified to comply with the order by Oct. 1, and G. E. Nichols, manager of the Fire Insurance Rating Bureau, Milwaukee, has been notified to that effect, and instructed to arrange to audit marine daily reports.

Marine company men say it will be impossible for them to comply with the ruling and without doubt their companies will contest the order, seeking a permanent injunction. The marine business is founded on a different method of rating, they say, and to employ the bureau fire and tornado rates would "hamstring" the marine business.

Wisconsin Statute Different

Wisconsin has a statute defining marine insurance different from that of any other state. It is permissible under the Wisconsin law (Section 201.04 (2)) to cover any Wisconsin property against any hazard under a marine form of contract whether or not the kind of insurance may be included under any other subsection of the statutes. In other words, insurance covering automobiles, dwellings, farms or any property against any hazard, may be written in a marine contract regardless of rate or form.

It is contended by the marine companies that marine insurance is the oldest form of insurance and marine writings never have been subject to state regulation. This the Wisconsin commissioner admits, but he contends fire and tornado coverages are still fire and tornado whether transportation, collision, theft or many other hazards are included in the policy.

Mortensen's Order Given

Since the advent of truck lines, inland marine insurance has become an important factor in all states. Mr. Mortensen feels that the fact that a commodity has been transported and insured under a marine form against practically all hazards for many years without rate regulation by states carries no weight in Wisconsin today. His order is:

All insurance companies writing fire and tornado insurance in the state of Wisconsin under a marine contract and all licensed actuarial bureaus, in order to comply with the provisions of Sections 203.32 to 203.495, inclusive, otherwise known as the rate regulation law, shall on and after Oct. 1, 1936, observe the following:

1. The rates of an actuarial bureau licensed under the provisions of Section 203.35 of the statutes must be used in determining the premium to be allocated to the fire or tornado hazard.

2. On risks or classes of risks for which the actuarial bureau has not provided rates for the fire or tornado hazard, the actuarial bureau will file with this department for approval a schedule indicating the percentage of the premium charged on the policies

Vice-President



RAY C. DREHER, Boston

Advertising Manager Ray C. Dreher of the Boston and Old Colony, who has been a member of the executive committee of the Insurance Advertising Conference, has been elevated to the post of vice-president and thus is headed towards the presidency. Mr. Dreher is one of the outstanding advertising experts of the country.

which is to be allocated to the fire or tornado hazard.

3. For the information of companies, actuarial bureaus are hereby instructed to indicate on daily reports of marine insurance policies the correct fire or tornado premiums.

4. All daily reports of marine insurance policies issued in Wisconsin, until

(CONTINUED ON LAST PAGE)

Railway Association Now Has 11 Company Members

C. N. RAMBO DIRECTING HEAD

Organization Succeeded Railway Insurance Syndicate in 1920; Bedall of Royal First President

NEW YORK, Sept. 23.—The Railway Insurance Association, which succeeded the Railway Insurance Syndicate in 1920, has a present company membership of 11; the 12th member, the Globe & Rutgers, having retired when the company was taken over for rehabilitation by the insurance department a few years ago. Though again entered in the general insurance field, the Globe & Rutgers has not rejoined the railway organization. Under the immediate management of C. N. Rambo, with C. A. Scott as chief assistant, the Railway Insurance Association writes schedules of the chief railway systems of the east, issuing the individual policy of some member company to each assured, and distributing the liability according to certain more or less fixed percentages, among the associated offices.

Home Goes After Business

In the early days of the Railway Syndicate, forerunner of the present association, the Home was denied admission to its ranks, action which so irritated E. G. Snow, then vice-president of the company, that he authorized the local brokerage firm of Benedict & Benedict to "go after railway lines, and get them," a course so successfully pursued by the brokers that the Home was soon writing 40 percent of the railway business of the country. A cordial invitation to join the syndicate followed and was accepted, and the Home has since been a leading member.

E. F. Bedall, then United States man-

(CONTINUED ON LAST PAGE)

Windstorm Losses Suffered in Eastern Hurricane Light

SOME PLATE GLASS CLAIMS

Government Radio Service Now Perfected and Warnings Make It Possible to Take Precautions

NEW YORK, Sept. 23.—Reports received here thus far indicate that the windstorm losses suffered by fire companies as a result of the West Indian hurricane that swept a portion of the Atlantic coast last week, and with less intensity struck this city, will be extremely light. The plate glass writing companies expect a number of claims will come in from Norfolk, Va., and perhaps other southern centers, and, no doubt, marine companies will be called on for a series of losses later on.

Plate Glass Losses

In this city plate glass companies report an aggregate of 26 claims caused by the storm, none, however, being heavy. Development of the radio service used by the federal government has been so perfected as to enable storm warnings to be flashed to all threatened points both upon the sea and along shore, from the time a hurricane starts until it finally blows out. By reason of these timely warnings residents in threatened areas have time to take precautions for protection of their property, while vessels at sea can oftentimes either seek safe shelter in harbors, or get out of the track of the storm. Indeed, the transatlantic airship, Hindenburg, in the last hurricane had to speed on its way, changing its course to get the tail of the blow, without being endangered by its full force.

The hurricane season in the south occurs during the present month and extends through October and November, during all of which time fire underwriters having any considerable amount of tornado business, are on the anxious seat until the period is passed. As a rule, however, hurricane losses are not severe above the Florida and southern Georgia line, though in those sections and along the gulf coast the reverse holds.

NORFOLK AGENTS ACTIVE

In face of the hurricane which swept up the Atlantic seaboard last week, Norfolk, Va., agents wrote quite a bit of windstorm insurance, being undaunted by the threat of heavy damage to property in that section. The storm turned out to be not so severe as was feared. The Cavalier Beach Club and several other buildings were partly demolished. There was also some damage to property at Buckroe Beach. Though the lower section of Norfolk was flooded with three feet of water, there was comparatively little damage from the wind there. Several lives were lost off the Virginia coast where shipping suffered severely. Agents at Richmond received a number of inquiries in regard to windstorm coverage in advance of the storm and some business was written there. There was practically no damage in that city.

Erion Praises New Form

The new agreed amount use and occupancy form was praised by Frank L. Erion, prominent Chicago adjuster and U & O authority, in his talk before the Association of Fire Insurance Examiners. J. J. Johnson, Fireman's Fund, new president of the association, presided.

Mr. Erion pointed out the shortcomings of the per diem form for mercantile risks, stating that hardly ever should it be used. He urged examiners to be familiar with the different forms and to protect their companies against criticism and ill-feeling in the event of a loss with improper insurance by protesting against the use of an incorrect form at the time insurance is written.

THE WEEK IN INSURANCE

Wisconsin commissioner, effective Oct. 1, orders marine rates on coverage including fire and tornado under regulation by state bureau. **Page 4**

E. J. Wohlgenuth of The National Underwriters gives some interesting sidelights on the conference of President Roosevelt with leading life executives. **Page 3**

Strike situation in some Pacific coast cities causes uneasiness. **Page 8**

James Cravens, head of Cravens, Dargan & Co., Houston general agents, died in San Francisco. **Page 5**

Insurance Federation of North Dakota and North Dakota Insurance Agents Association hold joint convention at Minot. **Page 6**

Much interest in action of National Automobile Underwriters Association at its coming meeting in New York regarding automobile house trailers. **Page 6**

Many conventions are being held these days by fire and casualty people. **Page 14**

Supervisory committee of the Rocky Mountain Fire Underwriters Association will meet in Denver Oct. 7. **Page 14**

J. C. O'Connor, editor of "Fire, Casualty & Surety Bulletins" of The National Underwriter, makes some observations on the new specified time and additional expense form now being used. **Page 5**

Richard H. McLarry has been elected president of the Dallas Insurance Agents Association. **Page 21**

American Mutual Alliance gives table showing the active United States insurance organizations. **Page 14**

Secretary of Agriculture Wallace urges greater effort to cut heavy rural fire losses. **Page 17**

Joseph E. Reault, second deputy commissioner of Michigan, goes with the Maccabees of Detroit. **Page 13**

Vermont Association of Insurance Agents held its annual meeting this week. **Page 6**

Few windstorm losses reported as result of hurricane on Atlantic coast. **Page 4**

Fire and marine companies show interest in probable reopening of the Black Tom terminal and Kingsley munitions plant cases by the Mixed Claims Commission at Washington. **Page 3**

Malicious breakage and impaired risk information exchange on plate glass to be opened in Chicago branch office Oct. 1 by National Bureau of Casualty & Surety Underwriters. **Page 37**

Program is announced for the annual casualty convention at White Sulphur Springs. **Page 32**

Commissioner DeCelles of Massachusetts and companies tangle horns at hearing on his promulgation of much reduced 1937 rates for compulsory auto liability. **Page 31**

Globe Indemnity and Royal Indemnity are celebrating their 25th anniversaries this week. **Page 33**

Changes of non-cancellable accident and health insurance were long unforeseen. **Page 33**

Albert Hirst, counsel New York State Association of Life Underwriters, points out the desirability of a noncancellable policy from buyer's point of view. **Page 31**

Chairman Angsten of the Illinois Industrial Commission makes further announcement of the plan for assigned risks on occupational diseases. **Page 31**

C. M. Beall, Inter-Ocean Casualty manager in Los Angeles, elected president of California Association of Accident & Health Clubs at San Francisco annual meeting. **Page 32**

Memphis Insurance Exchange takes action against the Hartford Steam Boiler on account of its attitude toward reciprocals. **Page 34**

City of Chicago Dissatisfied with Fire Rate Reduction

OFFICIAL CALLS FOR SPREAD

Corporation Counsel Hodess Claims Profits Demand All Property Owners Get Benefits

The Chicago Board has just conveyed to the Chicago corporation counsel's office a communication stating that no further action regarding fire rate reductions in Chicago is warranted, and Corporation Counsel Barnet Hodess has replied in a lengthy letter in which he finds the recent average reduction of about 25 percent on fireproof risks an unsatisfactory action and again insisting that the reduction which he claims is made possible by the much improved loss experience of the last few years be made general.

Mr. Hodess especially asks that reductions be made applicable to small homes and apartment buildings and their contents. He states that the reductions on fireproof risks will affect only some 2,900 risks.

Points Made in Letter

Mr. Hodess states in the letter that excess profits which fire companies have enjoyed in Chicago in recent years were derived, not from writing insurance upon only a few restricted classifications of property, but from all types in the city, and for this reason all property owners should share in rate adjustments. He says greater efficiency of the fire department has been a factor in the better loss experience.

The Chicago Board held that low loss figures were a product of the depression period and that with improved business conditions higher loss figures might be anticipated. However, Mr. Hodess points out that 1935 was the best business year since 1929, yet the Chicago fire premiums totaled \$19,156,262 and losses paid only \$4,454,461. Upon the assumption that 55 percent loss ratio is the normal percentage, Mr. Hodess says, the fire companies operating in Chicago last year received more than \$11,000,000 in excess of the sum necessary adequately to cover loss incurred.

Should Be Considered

Even if 1936 loss proves to be double that of 1935, he feels total premiums would still be excessive. Reductions should not be made solely on the 1935 showing, but this should be given consideration in future rates. The 1935 results, in view of the general trend for several years, warrants general reductions. He presented a tabulation for 1931-1935, inclusive, showing average loss ratio 50 percent, total premiums \$91,684,967 and total losses paid, \$46,005,348. Premiums, losses paid and loss ratio in the several years respectively were: 1931—\$20,589,532, \$11,402,423, 55 percent; 1932—\$16,171,493, \$10,095,171, 62 percent; 1933—\$16,877,144, \$6,774,776, 40 percent; 1934—\$18,890,536, \$13,278,517, 70 percent; 1935—\$19,156,262, \$4,454,461, 23 percent.

Sees Excessive Profit

"The loss ratio for 1935 was extremely low," Mr. Hodess said, "and allowed the companies to take an inordinately high profit. The same thing is true, but to a lesser degree, of course, for the full five year period."

"The city feels that the extremely high profits resulting from so-called good years, such as 1935, place the companies in the position of a 'trustee' of the excess funds collected from the public," which, he said, should be passed back over a period of years. Mr. Hodess said that, as far as it is possible to learn, the 1936 loss ratio also will be below 55 percent. He accepts the statement of Manager Jay S. Glidden of the Chicago Board that records indicate 1936 loss will increase about 50 percent over

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James Cravens, Veteran of Southwest, Taken by Death



JAMES CRAVENS

James Cravens, founder and senior member of Cravens, Dargan & Co., Houston, Tex., and Cravens, Dargan & Fox, San Francisco, who has been engaged in the insurance business since 1884, died in Dante Hospital, San Francisco, following a two months' illness. Before going to the San Francisco bay region for rest he was slightly ill in southern California. The immediate cause of death was bronchial pneumonia.

Funeral services for the 74-year-old veteran were held in Houston, his home, Sept. 23. Mr. Cravens was born in Missouri in 1862, educated at A. & M. College, Texas, and entered insurance at the age of 22 as special agent for the American Central covering Arkansas, Oklahoma and Texas. In 1903 the firm was founded with another partner. Many of the more than 20 companies in the office have been represented for many years. The American Central and St. Paul have been under the general agency contract of the Cravens organization since establishment and the Eagle Star & British Dominions and Camden have been represented more than 25 years.

History of Firm

The Pacific Coast general agency was planted about five years ago when Cravens, Dargan & Co. purchased the general agency business of Marsh & McLennan. The San Francisco firm, which operates in Pacific Coast territory, Alaska and the Hawaiian Islands for several prominent companies, later acquired companies represented in that territory by Fred S. James & Co. At that time, E. C. Fox, then manager of the James office, became a member of the California firm.

Today the general agencies bearing the name of Cravens have close to \$5,000,000 premiums annually, most of this fire but a sizable portion marine and casualty. Cravens, Dargan & Fox are northern California general agents for the Connecticut General Life and the Texas organization also represents a life company. James Cravens also was president of the American Provident Life of Houston.

He is survived by Mrs. Augusta Cravens, his widow; H. O. Cravens, a brother, and a sister, Mrs. A. C. Jackson, and two sons who are associated with the firm, Rorick Cravens, associated with the Texas firm, and Malcolm Cravens, at San Francisco.

In his earlier years Mr. Cravens hunted and fished frequently. In later years he confined his outings of this character to hunting ducks. He continued, however, to be an ardent fisherman. He was a good golfer and played the game until he became physically unable about three months ago.

The Wisconsin department has licensed the Allstate Fire of Chicago to write automobile insurance. This company is backed by Sears, Roebuck & Co. There will be no agents in Wisconsin.

Some Observations on New Forms of Coverage

By J. C. O'CONNOR

Editor Fire, Casualty & Surety Bulletins

Fire insurance men are giving considerable attention to the additional charges and expenses form developed on the Pacific Coast and recently authorized in New England. The form has come up in Western Underwriters Association territory and is believed to be under consideration by the inspection bureaus. Some business has been written in middle western states by special risks departments and sentiment among field men who have become acquainted with it is very strong for its official adoption.

Lines of Business Interested

The additional expenses, or surplus charges, form differs from use and occupancy in that it covers only the additional expense to which a business is put when it tries to operate after its plant has been destroyed or damaged by fire, windstorm, explosion, or other insured hazard. It is particularly well adapted to newspapers, which seldom suspend publication after a fire, but instead make every effort to carry on, usually at great expense. Such businesses usually do not have their income cut after a fire, but their expenses go up and hence the profit is usually wiped out. Other lines adapted to this form are milk and ice distributors, garbage and similar public contractors and public utilities. Almost any business having a franchise dependent on steady operation is interested in this coverage.

California Form Popular

The Pacific states have several prescribed forms, but the one used in California is the most popular and is generally used in other parts of the country. This form does not require insurance based on a full year's shutdown and has no coinsurance clause. The assured may place any amount of insurance he wishes, the California form restricting recovery to 40 percent of the face of the policy for the first month of shutdown, 70 percent for two months and 90 percent for three months. Some of the other Pacific forms provide for a slightly different allocation of percentages.

In some states, rating bureaus have insisted on a uniform monthly limit of recovery, similar to a monthly U. & O. form. Students of the business point out that this is unfair to the assured, since a large part of the additional cost of emergency operation is incurred during the early period of a shutdown. Many of the charges are incurred as soon as emergency headquarters are secured. Further, in the event of a protracted shutdown, a business such as a newspaper can usually secure more favorable terms after the first month or first few weeks and thus reduce its extra expenses. Some underwriters have gone to the other extreme and written the coverage without any monthly limit of recovery. Generally, however, the California percentages are regarded as equitable.

Per Diem Form Disliked

In some eastern states, a per diem additional expenses form has made its appearance, being modeled on the per diem U. & O. forms. This is subject to even more objections, on the ground that additional expenses of emergency operation do not run uniform from day to day and frequently occur in lump sums.

California has a schedule of rates, based on the per diem U. & O. rate, multiplied by a factor for each month during which the indemnity applies. Some underwriters have been using this schedule of rates, others charge the 100 percent contribution U. & O. rate. The latter is prescribed in Oregon. The "Fire, Casualty and Surety Bulletins," published by THE NATIONAL UNDER-

WRITER, recently published a discussion of this form, which proved very popular with subscribers.

Fire insurance men point to the development of this form as another example of the progressiveness of the Pacific coast. Many forms have originated there, the rating bureaus apparently being quicker to adopt innovations than other bodies. The "specified time" U. & O. form, adopted there in 1929, is another example of this willingness to experiment with new forms. The fallen building clause waiver also originated there and has recently spread to the middle west. One of the few recent innovations which did not come from the coast is the supplemental contract, which originated in the middle west and then spread to the east and southeast before the Pacific Coast adopted it.

In connection with additional charges insurance, fire insurance men point to the recent flood in Hartford as an example of the danger of not carrying enough insurance. Both newspapers were put out of commission, and each tried to use the plant of the Meriden newspaper for emergency operation. One, of course, lost in the race and had to go to New Haven to publish, at much greater expense. This loss was not insured, but it is cited as a good example of how a fire or windstorm could put two papers out of the running at once.

Expect Adjournment Again of General's Michigan Suit

LANSING, MICH., Sept. 23.—Although forecasting another adjournment when the declaratory judgment suit brought against Commissioner Ketcham by the General of Seattle comes up in federal district court at Detroit Sept. 28, S. S. Greenberg, assistant attorney-general representing the department, outlined his defense tactics. The General seeks to force the commissioner to reaccept its 20 percent deviation filing in the state which was rejected May 15 after having been approved Feb. 15. Mr. Greenberg will move for dismissal of the federal court petition on the ground there is no federal issue involved and the court has no jurisdiction. Proper procedure is mandamus proceedings in supreme court, the only tribunal given jurisdiction to review discretionary acts of state department heads.

The General contended Mr. Ketcham's act in rescinding approval made the agency plant in the state useless, violating the 14th amendment.

W. I. B. Meeting Set

Directors of the Western Insurance Bureau met in Chicago last week and decided to hold the annual meeting of the bureau at the Greenbrier Hotel, White Sulphur Springs, W. Va., Oct. 20-22.

President H. A. Clark, Firemen's, presided. Those in attendance included, S. F. Weiser, Dubuque Fire & Marine; F. J. Breen, Standard of N. J.; Lloyd Brown, Firemen's; J. C. Hiestand, Ohio Farmers; H. M. Giles, Millers National; W. E. Wollaefer, Concordia, and W. D. Reed, Northwestern National.

Cream City in Minnesota

ST. PAUL, Sept. 23.—The Cream City Mutual Fire of Milwaukee has been licensed in Minnesota. It was organized in 1889 and has assets \$393,933 and surplus \$311,600. August F. Voigt is president and H. W. Roehr is secretary. It issues non-assessable policies. It increased its premiums during the last three years 53 percent.

Albert Dodge Is Speaker at Vermont Agents' Convention

URGES GENERAL GATHERING

Suggests a Meeting of Agents and Company Men for Discussion of Their Mutual Problems

FAIRLEE, VT., Sept. 23.—The annual meeting of the Vermont Association of Insurance Agents, this being its 30th, took place today with E. F. Livingston of North Troy, president, in the chair and A. C. Mason of Rutland at his side as secretary.

The business meeting started this afternoon, the golf tournament taking place in the morning. The banquet was held in the evening when the golf prizes were distributed.

Fred R. Smith of Haverhill, Mass., was present and is chairman of the New England advisory board, bringing greetings from that body. W. C. Lawrence of Springfield reported for the executive committee.

Albert Dodge Spoke

Albert Dodge of Buffalo, chairman of the publicity and educational committee of the National Association of Insurance Agents, represented that body. He stated that the importance of insurance to the public welfare should not go unheeded. He feels that there should be no competition as to price. The time has come, said Mr. Dodge, when all persons connected with insurance, whether on the salaried plan or commission, must come out in the open and assert themselves and proceed on an offensive instead of a defensive policy. If there is anything wrong in the business, he asserted, then there should be a determined effort to correct it.

State Department's Appropriation

In Vermont, he said, the total taxes received from insurance annually are over \$335,000 and yet the insurance department gets only \$11,144 for supervision. It is impossible without more appropriation to have proper equipment and people to give the public and people the supervision that they need.

Mr. Dodge said the crying need of insurance is uniformity of practice along general lines by both companies and agents. He suggested that agents at their mid-year and annual meetings hold a convention attended by all classes of stock company executives. With agents present there could be common discussion of their mutual problems. Life insurance men, he said, have blazed the way in getting together on a satisfactory basis. He called attention to the fact that states that have conference committees dealing with insurance commissioners have found these of great value.

Importance of the Agent

Mr. Dodge said that if the American agency system is to survive there must be brought about in every community the recognition of the agent and his importance in the picture. The standards of agency representation, he said, must be raised. It is a question, he said, of "not how cheap insurance business can be transacted, but how good." The depression, he thinks, has brought companies and agents more closely together. Knowledge makes courage and this is the most needed thing in the insurance business today, Mr. Dodge said.

Missouri Deputy Is Out

A. S. Robertson of Marshall, Mo., deputy superintendent, was discharged by Superintendent O'Malley, effective Oct. 1, the reason not being specified. Mr. Robertson said apparently there was a difference of opinion between the two over department policies. Mr. Robertson was one of the better known young Democrats of the state and had been endorsed by several party leaders for the post of superintendent. He had been with the department several years.

New York Leader Talks at Vermont Agents' Meet



ALBERT DODGE, Buffalo

Albert Dodge of Buffalo, chairman of the publicity and education committee of the National Association of Insurance Agents, and former president of the New York state body, a leader in the agency cause, was one of the guest speakers at the Vermont agents' meeting this week and represented the national body.

Soy Bean Explosion Hazard Set Forth by Dr. D. J. Price

Blame for many of the dust explosions in the United States during the past 20 years may be placed on the introduction of new manufacturing processes, declared Dr. David J. Price of the Bureau of Chemistry and Soils, who addressed the annual meeting of the American Soy Bean Association at Cedar Rapids, Ia. Dr. Price's views occasioned great interest as numerous factories for the processing of soy beans are reported under construction in the middle west.

For their own protection, Dr. Price pointed out, new manufacturing concerns should examine the plant thoroughly, detect all possible dust explosion hazards and adopt preventive measures. Dust explosions the past 20 years have resulted in \$35,000,000 in property damage and death of 320 workmen.

The extraction method of soy bean processing is the most hazardous, according to Dr. Price, who reported results of tests made by the Bureau of Chemistry and Soils. In the extraction process the oil is removed from soy beans with a solvent, producing a double hazard since both the finely divided bean product and solvent are explosive.

Dr. Price made the following recommendation as the best means of preventing explosion in soy bean processing plants: Good housekeeping and clean premises as defined by the safety code of the dust explosion hazards committee of the National Fire Protection Association; soy bean elevators and buildings in which grinding, milling or other preparatory processes are performed, should be segregated from other parts of the plant; dryers in sections where inflammable dust is present to be separated from other parts of the plant and the room properly equipped with venting facilities; dust collectors should be installed outside the building, and where inflammable solvents are used, instruments should be installed which will detect inflammable vapors and give proper warning.

North Dakota Federation in Annual Meeting at Minot

CRABTREE NAMED PRESIDENT

C. H. Warner of Fargo Heads Local Agents' Association Which Gathers in Joint Conclave

The North Dakota Association of Insurance Agents held its annual meeting in connection with the federation gathering. Clifford H. Warner of Fargo, former secretary-treasurer, was elected president of the agents' association, succeeding Charles A. Dawson of Fargo. Claire Simpson, Fargo, is the new secretary-treasurer.

MINOT, N. D., Sept. 23.—A stronger organization and concentration on legislative problems will be the aims this year of the Insurance Federation of North Dakota, it was brought out at the organization's annual convention held here.

Agents and field men confessed that this has been a difficult year for insurance sales, especially in the western section of the state which was stricken hardest by drought, and that there has been a noticeable lowering in sales volume. There was no pessimism, however, as to the future and recent rains were looked on as an omen of future good crops.

Officers Are Elected

D. W. Crabtree of Ellendale, well known throughout state insurance circles and in legislative work, was unanimously elected president of the federation, succeeding Arthur A. Powell of Devils Lake. O. J. Trimble of Devils Lake was reelected secretary-treasurer. Elected executive committee members are: Former President Powell, Henry Murphy, Bismarck; Frank W. Newberry, Jamestown; Carl Erickson, Williston; O. A. Schollander, Fargo; H. W. Montgomery, Minot, and Clay D. Smith, Fargo.

The agents gave enthusiastic applause to the remarks of Commissioner Hopton of North Dakota, who was one of the principal convention speakers. Mr. Hopton urged that the federation present a strong front in educating the public to the advantages of stock company insurance over mutual or benevolent society insurance.

He declared that agents must "keep step with the times, adapting themselves to changing economic and social conditions," and said that "you must have something better to give the public than the mutual assessment societies or they will continue to grow."

"Some of you are conservative—and you have a right to be," said Mr. Hopton. "But there are changes which are coming and which must be faced. In this country, for example, there is available from machines a total of 900 million man-power. But there are only 130 million people. We need changes in order that available power can be put to work." He asked them to be open-minded about the change.

Crabtree Advises Caution

President Crabtree, in his speech of acceptance, cautioned delegates that as a matter of strategy, it would be best "not to ask too much at one time of the state legislature." Pointing out that this is a legislative year, and that there are numerous measures possible which would aid the insurance profession, he said "it is best to get almost any bill through, for a wedge, even though it may appear weak at the time. Even if it is not complete, we can amend it to build it up."

Other speakers included John H. Lewis, Minot attorney and past president of the North Dakota Bar Association; Leonard E. Zell and A. K. Bolton, both of Fargo, and R. G. Osgood, assistant manager western department of the North America, Chicago.

Mr. Osgood defended stock com-

Much Interest in Meeting of Auto Underwriters Body

HOUSE TRAILER IS PROBLEM

Many Company Men Feel Present Rates Inadequate Due to Lack of Experience

HARTFORD, Sept. 23.—Local insurance officials are awaiting with interest the meeting of the National Automobile Underwriters Association in New York, and what this association will decide on the subject of automobile house trailers. Several feel that the present rates are not adequate for the risk involved, and they frankly admit that the sudden growth in the number of house trailers has caught them unprepared for writing this type of business due to lack of previous experience.

It is the opinion of some that this sudden rise in the number of house trailers will turn out to be due to a fad, similar to that of several years ago when families took to vacationing in tents, and that after a few years, when those interested in this type of thing have had some experience with it, the number will drop.

Floater Type Hazardous

Companies at present are not interested in insuring the floater type of tourist. The floaters may be characterized as persons, usually retired business or professional men, who have sold their real estate and tour the warm sections of the country in the winter and the cooler sections in the summer. It is not unusual for some of this type of tourist to stay in one location for a considerable length of time while others are constantly on the move. Due to the uncertainty and frequency of exposure to risks of this type the companies feel them to be too hazardous to underwrite.

Companies Can Contribute

LINCOLN, NEB., Sept. 23.—Commissioner Smrha has ruled that it is proper for insurance companies to make contributions to community chests and charge them to expense. He says that it is entirely appropriate that a company do its share to meet the cost of caring for the needy along with other corporations and in an amount proportionate to that made by these other business organizations and based on volume of business done.

panies, and urged that stock agency bulletins be used by agents. "There is one point brought out in these bulletins that I want to stress," he said. "It is frequently whispered that stock fire companies, for example, are in business for profit. Most certainly they are, and there is no need to apologize for it. The stock form of organization is generally accepted as the safest and most satisfactory medium of meeting conditions of the modern world and for guaranteeing accurate and efficient functioning."

"Approximately 75 percent of the business of this country is conducted on that basis. Profit and the hope of profit is the motivating force back of private initiative, and it is private initiative, struggling for legitimate profit through efficient service honestly rendered, that has advanced civilization and raised standards of living in this country of ours."

"No one can claim that stock companies have taken an excess profit from North Dakota. On an average annual premium volume of \$2,680,000 for the nine years ending Dec. 31, 1934, stock companies had a loss ratio of 52.4 percent. This figure is in excess of the national average which returned a profit of less than 2½ percent, and we can safely assume that the profit factor in your state was less than 2 percent."

The executive committee will announce the 1937 convention site at a later date.

1636

Rhode Island Tercentenary Jubilee

1936

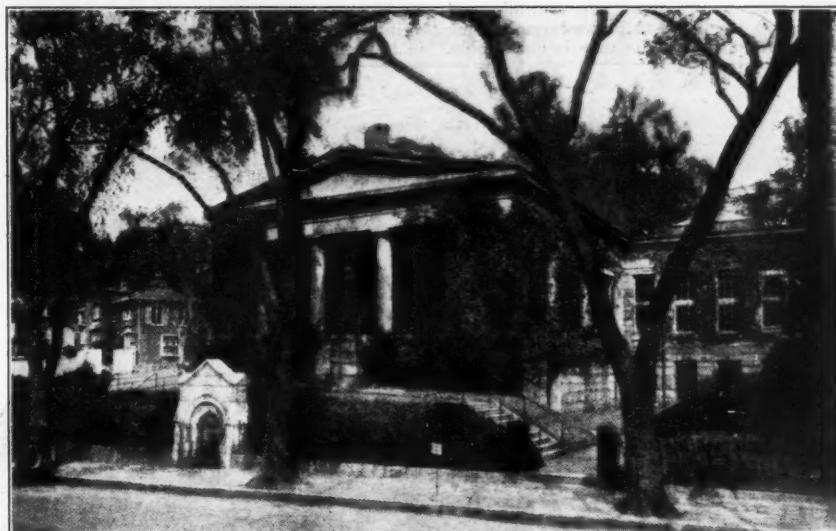
1799

Providence Washington's 137th Anniversary Year

1936

THE PROVIDENCE
ATHENAEUM, 1753 - 1936

The Providence Athenaeum, the real foundation of which dates back to 1753, is one of the few survivors of the "public" libraries of our forefathers, a distinctive type whose ownership is vested in its proprietors and whose origin and fullest growth cover the half centuries preceding and following the Revolutionary War.



Providence Washington PROTECTION for nearly a CENTURY

"The books and other property of the Athenaeum is now insured at the Providence Washington Insurance Office for \$7,000, at 30 cents per 100 dollars, which policy will expire on the 8th of October, and may be renewed for one year, on the same terms, if the Proprietors authorize it."—(Taken from report "At the Fifth Annual Meeting," PROVIDENCE ATHENAEUM—September 25, 1840.)

Since the original policy was written on October 8, 1839, the value of the books and property of the Athenaeum has increased many times \$7,000 and the insurance protection for this old New England institution has been entrusted to the PROVIDENCE WASHINGTON INSURANCE COMPANY continuously from year to year. Today, as from the beginning, the Providence Washington becomes literally "a member of the family" of the insuring public which it serves.

A friendly agency company operating nationwide. If you feel that there is a place for a company of this type in your agency write for information.

These Companies write the following classes of Insurance

FIRE—TORNADO—OCEAN and INLAND MARINE and their allied lines—AUTOMOBILE—
FIRE, THEFT and COLLISION

PROVIDENCE WASHINGTON
INSURANCE COMPANY OF PROVIDENCE, RHODE ISLAND
INCORPORATED 1799 ★ CAPITAL \$3,000,000.00

ANCHOR INSURANCE COMPANY
Incorporated 1928 ★ PROVIDENCE, RHODE ISLAND ★ Capital \$1,000,000.00

Is Fleecing Local Agents

P. K. Weis, local agent at Moberly, Mo., who read in *THE NATIONAL UNDERWRITER* about one J. H. Daily, who through very subtle ways had been able to elicit elusive dollars from local men, claiming to be a Rotarian and member of the faculty of the University of Michigan, has this to say.

"The description makes me certain the same man visited Moberly, Mo., on May 25 of this year. He then gave the name of Charles Pierce, of San Antonio,

and claimed to be a member of the faculty of the University of Texas. The Rotary emblem was prominently displayed. He had been in an accident in the country about 15 miles from here, his wife was waiting in the car. I cashed his check for \$14 and it was returned to me with costs of protest added. Inquiry addressed to the Rotary Club of San Antonio and the University of Texas brought back the information the man is not known. He tells the

story so well and looks so perfectly the part he plays, respectable citizen and college professor, that it is likely he will continue to do well until some reader of *THE NATIONAL UNDERWRITER*, warned and on guard, turns him over to the police."

R. S. Drake, former manager of the United Pacific's automobile department, has entered the local agency field, having established an agency under his own name in Seattle. The new firm will be affiliated with the M. B. Hevly agency. Mr. Drake was one of the organizers of the Northwest Automobile Insurance and the Underwriters' Bureau, an impairment organization.



Courtesy E. L. Heitkamp, Sports Writer

...Fore!

MACDOUGAL IS TEEING OFF! This is an old print showing golf at the time Millers National was founded three-quarters of a century ago.

Age of itself does not confer greatness upon an institution but it certainly tests principles and practices. Time takes its toll of the weak and unprincipled... and at the same time exalts the purposeful and strong. Millers National has stood the test of time in its unfailing service and steady growth from 1865 to this year 1936.

To-day its time-tested principles and practices appeal to the agents of our nation and the American insuring public. The service which has stood the test of nearly three-quarters of a century is theirs—and theirs to expect in the future.



**MILLERS NATIONAL
INSURANCE COMPANY • CHICAGO**

Seventy-one Years of Service

Labor Difficulties Hit Some Pacific Coast Points

PEARL'S WASHINGTON ACTION

Look for Longshoremen to Strike at
San Francisco—Considerable
Unrest Is Seen

SEATTLE, Sept. 23.—The Pearl Assurance is the only company that has discontinued writing strike, riot and civil commotion insurance in Washington. The company recently announced that it felt the present rates were too low in view of the widespread labor strife in the Pacific northwest. The forced shut-down of the Seattle "Post-Intelligencer," the city's only morning newspaper, which is owned by Hearst, has resulted in the sale of a large volume of strike, riot and civil commotion insurance. Numerous industrial plants not heretofore covered have purchased protection. When the Pearl announced its discontinuance of the line, the announcement made front page news in Seattle's two remaining papers and the demand became noticeable.

Imminence of serious labor difficulties is feared in other industries. Already some 10 or 12 furniture factories, the leaders in the Pacific northwest, have been shut down. The unions are exerting a final desperate effort to make Seattle and Tacoma "closed shop" towns.

Look for Seamen's Strike

It is generally expected, unless there are unforeseen developments within the next week, that there will be a general tie-up of shipping all along the Pacific Coast. The present longshoremen's agreement expires on that date and there has been every strong indication that there will be another walkout that will again paralyze shipping on the coast. Recently the "President Hoover," a Dollar liner plying between the Pacific Coast and the Orient, was unable to leave its berth in San Francisco for five days, while 500 passengers were on board. The seamen's union held up the vessel when the captain dismissed one of the ship's hands for gross insubordination.

Four Mutual Groups to Be at Philadelphia Convention

Philadelphia is to be the scene of the largest gathering of mutual insurance men ever-held in this country when the annual convention of the National Association of Mutual Casualty Companies is held there Oct. 12-15. Joint meetings of the Federation of Mutual Fire Insurance Companies, the Pennsylvania State Association of Mutual Insurance Companies and the Mutual Insurance Ad-Sales Conference and Exhibit will also take place.

The Pennsylvania association, of which H. H. Gilkyson, Jr., Coatesville, is president, and Guy E. Eaby, Lancaster, is secretary and treasurer, will be the hosts for the convention.

Justin Peters, president Pennsylvania Lumbermen's Mutual Fire, is chairman program committee. Plans are under way for unusual features, in addition to the regular entertainment and sightseeing trips. One of the features already arranged is a concert by the ensemble of the Philadelphia symphony orchestra at the Bellevue-Stratford Hotel on Sunday evening preceding the opening of the convention.

The King County Insurance Association is staging a dinner next month for the officers of all of Seattle's community clubs. At that time the Seattle fire department will present its annual fire prevention award to the club with the best record for the past year.

The board of commissioners at Leavenworth, Kan., is proposing a \$25,000 bond issue to provide more adequate fire protection facilities.

Great American Insurance Company New York

INCORPORATED - 1872

W. H. KOOP, President



OLD FASHIONS AND NEW

We can properly be proud of being old fashioned

In the soundness of the company's underwriting policy;
In its friendly consideration for agents and their needs;
In its adherence to every rule of correct practice;
In its unquestioned financial standing.

Yet feel an even greater measure of pride in that

The company's well proven policies have always been
so easily adapted to the requirements of the day.

Today's business needs are not those of a few years ago

NEW IDEAS must develop; new methods are needed,
but the basic principle of fair dealing with agents and
policyholders can never change.

WESTERN DEPARTMENT

310 South Michigan Avenue :: CHICAGO, ILL.

C. R. STREET, Vice President G. D. GREGORY, Secretary

AS SEEN FROM CHICAGO

COOK COUNTY FIELD MEETING

The Cook County Field Club will hold its first fall meeting at the Great Northern Hotel, Chicago, at a luncheon Oct. 12. A special committee dealing with the Chicago Board has had an abbreviated hand-book compiled and sent to all suburban agents and brokers. Manager J. S. Glidden of the Chicago Board will be present at the meeting and explain some of the rules and regulations.

* * *

FRED STEWART RESIGNS

Fred S. Stewart, assistant manager in the western department of the Pearl Assurance, has resigned. He went with the Pearl when it acquired the Monarch Fire, he at that time being with the latter company at Cleveland. He was in charge of the Monarch Fire in its underwriting. He was shifted from the Cleveland office to Chicago.

* * *

FRANK COFFIN IN THE FIRM

Moore, Case, Lyman & Hubbard of Chicago announce that Frank S. Coffin

will become an associate member. This firm is well known in Chicago, having been organized and doing business in the metropolitan area for the past 77 years.

Mr. Coffin was born in Chicago in 1902, educated in the grammar schools and was graduated from the Oak Park high school in 1920. During his high school years he was captain of the champion all-state track team for two years. He was graduated from Dartmouth in 1924 and immediately became employed by Moore, Case, Lyman & Hubbard and has been an active producer for the past 12 years. He is the son of Fred Y. Coffin, senior partner of this agency.

* * *

FRED S. JAMES & CO. ORGANIZATION

Fred S. James & Co. of Chicago is one of the oldest and best-known insurance organizations in the central west—indeed, its operations are so extensive it does business in every state.

Started by Fred S. James as a local fire agency in Chicago in 1872, the business has been enlarged from time to

time through the addition of various new departments, until at present it embraces practically every known form of insurance protection.

During the many years of its existence mergers with other offices have taken place, thus adding to the strength and prestige of the organization. In 1897 the business of Herbert Darlington & Co. was taken over, and later the firm of L. D. Hammond & Co. was added. The last merger was Jan. 1 last through the acquisition of the business of Jens, Murray & Co. The members of this firm were A. M. Jens, Wm. M. Murray and J. C. Griswold. The active partners in the Fred S. James & Co. organization were increased by adding Mr. Jens and Mr. Griswold.

Mr. Murray expressed a wish to move to California and become an independent broker. In San Francisco he is working to build up a brokerage business for his own account.

* * *

EDUCATIONAL FACILITIES

Insurance is rapidly increasing in importance in the colleges of the Chicago district, five institutions of higher learning now including some phase of insurance in their curricula. In addition to this, most of the law schools offer a course in insurance law.

In the fire insurance field, Armour

Institute has given courses in fire protection engineering for many years and will offer the course this fall. Many rating engineers and field men are alumni of this course and several of the former students have now climbed to high positions in home and branch offices.

Loyola University is entering the field for the first time this fall, with a course in general insurance in its downtown commerce school. T. J. Byrne, Jr., of the Byrne, Byrne & Hahn agency, will be the instructor. The course will run one night a week for both semesters.

The Y. M. C. A. College will repeat its course in property insurance which it offered last year. J. C. O'Connor, editor of the "Fire, Casualty and Surety Bulletins," published by THE NATIONAL UNDERWRITER, will again preside. It will meet every Tuesday evening for 18 weeks. This institution also offers a life insurance course of several years standing, under Roy L. Davis, life insurance manager of W. W. Durham & Co.

Northwestern University once offered fire insurance courses, in connection with several fire insurance companies which put young men through the school, but this activity was discontinued a few years ago when the companies ceased hiring new men. Life insurance courses, leading to the C. L. U. degree, are offered there.

Samuel Nerlove will again conduct his life insurance courses at the University of Chicago. The course will be given during the autumn quarter at the main campus on the midway and during the spring quarter at the downtown college.

College credit is given for all these courses. The Insurance Institute of America, which is not affiliated with any school or college, is the original insurance educational body and probably teaches more insurance men than any other. It will resume its activities in Chicago this fall, offering lecture courses in fire, inland marine, casualty, suretyship and life insurance. Each course will meet one evening a week in the auditorium of the Chicago Board. Various specialists will lecture on the different subjects.

* * *

CHAMBER OF COMMERCE LUNCH

The Illinois chamber of commerce has secured Virgil Jordan, president National Industrial Conference Board, as a speaker for its third annual luncheon to be held under the auspices of the state chamber at the Palmer House, Chicago, Oct. 16. Herman A. Behrens, president of the Continental Casualty, is chairman of the insurance division. Mr. Jordan will speak on "How to Insure Security."

* * *

REPORT CHICAGO FIRE PREMIUMS

Twelve additional companies have filed with the Chicago city comptroller's office their Chicago fire premium figures for the year ended June 30. These are:

	1936	1935	1934
Sc. Un. & Nat...	\$112,528	\$ 51,458	\$ 45,448
Amer. Un.	34,061	90,131	85,993
Central Union..	4,271	11,722	13,003
Commerce	47,017	17,315	18,113
Glens Falls....	201,057	179,720	176,489
Yorkshire	51,297	47,017	28,726
Lond. & Prov...	47,323	36,471	11,509
Seaboard F.&M.	24,934	24,196	17,081
Reliable, O....	23,975	28,219	28,915
Security, Ia....	56,143	59,926	58,160
Eureka-Sec. ...	34,524	33,215	28,990
Albany	20,536	25,071	26,151

* * *

BOARD, BROKERS AGAIN TO CONFER

Directors of the Chicago Board at a meeting appointed President Charles Buresh, Vice-president C. M. Hayden and Manager J. S. Glidden a committee to confer with a committee of the Insurance Brokers Association of Illinois in an effort to patch up the difficulties which recently cropped up between the two organizations. The brokers' committee consists of President R. M. Redmond, Frank P. Lavin, past president; J. A. Mudd, Jr., and J. D. Monahan. The brokers have taken the stand that they would not observe board rules unless the \$1 service charge was removed and organized full-time brokers were given representation on the board and on committees relating to matters affecting brokers. This was couched



The Old Man

THE Old Man on the Fence has been, from the very beginning, a friend of the American agency system. The thorough cooperation established between himself and the agents with whom he is associated has made the Ohio Farmers nationally known as "an agency company."

This feeling is so pronounced that the Ohio

Farmers "family spirit" has become a unique and acknowledged part of the Company — a spirit to whose existence any Ohio Farmers agent can testify.

* * *

We are justly proud of our agency plant and the support received from that source makes us believe that our agents are proud of the "old Ohio Farmers."

OHIO FARMERS INSURANCE COMPANY

Chartered 1848

LEROY • OHIO

as a demand which the board ignored, making a counter-proposal to have conference committees, which the brokers rejected. Since then many leading brokers have been ignoring the \$1 service charge, President Redmond reports. They have neither been collecting it from assured nor remitting it to the agencies with which they do business, thus technically placing themselves in violation of the rules. Some of the leading brokers thought that they had perfected arrangements for excellent outside markets in case the actual break with the Chicago Board became unavoidable, but these plans appear to have fallen through and the brokers now, it is said, are more amenable to reason. The few non-board companies of importance do not offer brokers the market which they require.

PARKER ON FIRE COUNCIL

George H. Parker, manager of the Kentucky Actuarial Bureau, Louisville, has been appointed a member of the fire council of Underwriters Laboratories.

VETERAN ADJUSTER GREEN DIES

Carl D. Greene, independent adjuster well known in the Chicago territory for many years and formerly a partner in Greene, Whitney & Miller, now known as Whitney & Miller, died at his home in Palm Springs, Cal., a few days ago at the age of 63. He had been in ill health for a number of years and inactive in the adjusting business. Mr. Greene started in adjusting work with Wagner & Glidden many years ago, later becoming a staff adjuster of the Western Adjustment. He went then with Harry W. White, adjuster, and in 1899 went into the independent adjusting field in Chicago for himself.

AGENTS' SLATE IS ANNOUNCED

H. E. Reeves of Joyce & Co., Chicago, heads the slate to be voted on by the Chicago Insurance Agents Association at the annual meeting to be held Oct. 13. Mr. Reeves was nominated for chairman to succeed P. B. Hosmer of R. W. Hosmer & Co. W. E. Rollo of Rollo-Webster & Co. was nominated for vice-chairman, the post which Mr. Reeves held in the past year. Bradford Gill of Gilbert & Gill was nominated for reelection as secretary and Clarence C. Oxnam of Oxnam, Goodwin & Hale for reelection as treasurer. The entire slate was approved by the directors and recommended to the membership.

BROTHER ACQUIRES FOSTER AGENCY

John H. Foster, assistant manager of the Illinois Audit Bureau, has acquired the W. J. Foster & Co. agency of Chicago and is resigning his official position immediately to take over active control and operation of the agency which was operated for many years by the late

W. J. Foster, his brother. No appointment of a successor in the Illinois Audit Bureau has as yet been announced. The Foster office is a Class 1 agency doing a general fire, marine and casualty business. It was founded many years ago by James L. Monaghan, operating under his name, W. J. Foster becoming a partner. After Mr. Monaghan's death W. J. Foster acquired control and operated the agency under his own name. It has had offices in the Insurance Exchange building in Chicago ever since the building was opened about 23 years ago. John H. Foster has had some 15 years' insurance experience, all in Chi-

cago, starting with the Aetna Fire, becoming assistant examiner of Illinois business, then in charge of the survey department in Chicago. After five years he went with the Illinois Audit Bureau as assistant manager. Mr. Foster will maintain the same organization and location.

Egyptian Mutual Report

The Illinois department has issued its report on the Egyptian Mutual Automobile of Salem, Ill., as of May 1, showing assets \$37,494 and surplus \$17,840. It writes automobile, fire, theft, wind-

storm and collision. It is closely allied with the Illinois Bond & Investment Co. The department says that the books and records do not lend themselves to ready verification. The entire business is produced by the finance company. Its premiums up to May 1 were \$8,789 and total income \$9,455. The claims were \$6,428 and total disbursements \$10,663.

Watson HOLC Property Manager

Charles Watson, local agent of Geneva, Ill., has been appointed HOLC property manager for a portion of Kane county, Ill.



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New Ash Tray Is Answer to Underwriter's Prayer

The underwriter's dream has come true. An ash tray that dumps deserted or undoused butts into the tray rather than onto table tops or table covers has made its appearance in hundreds of hotel rooms. Adjusters hope that thrifty householders and careful housewives will follow the lead of the hotel managers who save hundreds of dollars each month in furniture refinishing and linen bills.

A lighted cigarette balanced on the edge of a common tray soon tips itself onto a table top because the lighted end lightens and causes the claims that make adjusters and underwriters gray or baldheaded.

The new safety trays have rests in the center and no place around the edge on which even a magician could balance a cigarette.

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NEWS OF FIELD MEN

Landers to Cover Entire State

Takes All Kansas Territory for the Twin City and the North-western Fire

George Landers, son of the late W. E. Landers, for many years Kansas state agent for the Northwestern Fire & Marine and the Twin City, has taken over the field for the entire state, closing the former office at Topeka and establishing state offices in the York Rite Temple building, Wichita, where George has headquartered for some years while covering the southern part of the state as assistant to his father.

Weldon Elected in Wichita

The Sunflower (Wichita) Blue Goose elected B. J. Weldon, Kansas Inspection Bureau, big toad; R. B. Lathan, North America, pollywog; George M. Montgomery, Western Adjustment, croaker, and George Steeples, Home of New York, bouncer, at its first fall meeting. Shelby Holmes, American, is the retiring big toad. Eugene P. Goetzinger, Oklahoma City, was present to extend a personal invitation to attend the Grand Nest meeting in Oklahoma City, Oct. 13-15. A Halloween party for Oct. 31 was announced by Lloyd Greer, Royal, entertainment committee chairman.

Voorhees to Ohio

Winthrop Voorhees of Summit, N. J., has been appointed special agent for the American of Newark, with headquarters at Dayton, O. He will assist Special Agent Eagle in southern Ohio. This increases the Ohio field force of the American to four men. Mr. Voorhees has been employed in the underwriting department of the American and is a graduate of the Lehigh University where he received an engineering education.

Parmelee with Republic

W. W. Parmelee has been appointed by the Republic of Dallas as special agent for the west Texas and panhandle field with headquarters at Lubbock. He has been for the past seven years with the rating division of the Texas fire insurance department in Austin, lately in charge of its Fort Worth office. He succeeds Allen Farmer, resigned.

Will Inspect Columbus, O.

The Ohio Fire Prevention Association will conduct a three day educational and inspection campaign at Columbus, O., Oct. 13-15. Various service clubs, Boy Scouts, firemen and local agents will participate. Public meetings will be held at luncheons under the auspices of different clubs. Addresses will be made by R. E. Vernor, manager, and H. K. Rogers, engineer fire prevention department Western Actuarial Bureau.

Heads Vancouver Committee

John W. Wilson of Vancouver, B. C., has been appointed chairman of the 1937 convention committee of British Columbia Blue Goose, to endeavor to get the grand nest meeting next year for Vancouver. H. B. Leity of Vancouver is now grand supervisor and will likely be advanced.

New Jersey Field to Meet

The first fall dinner-meeting of the New Jersey Field Club of which Fred H. Morasch is president, will be held Sept. 28 at Newark. Following the dinner there will be shown a motion picture of the construction of Boulder Dam, with E. D. Wilson, construction

engineer of Babcock & Wilcox, giving a lecture. In cooperation with the fire prevention committee of the Newark Safety Council, the club will furnish speakers for civic clubs, schools and other organizations for "Fire Prevention Week," throughout New Jersey and in addition one of the members will give a fire prevention talk over the radio.

Blue Goose Women Open Season

MILWAUKEE, Sept. 23.—Wisconsin Women of the Blue Goose opened their fall meetings with a luncheon and bridge. New officers, elected last spring, who were in charge of the meeting were: Mrs. C. E. Hayne, president; Mrs. George Hannan, vice-president; Mrs. Frank Daniel, secretary, and Mrs. W. R. Hunter, treasurer.

Change in West Virginia

N. G. Dempsey, state agent of the Pearl fleet in West Virginia, has relinquished supervision over that territory and joined the Cincinnati office. The West Virginia territory is placed under W. D. Corbett, state agent, and J. H. Ingram, special agent, with headquarters in the Commonwealth building, Pittsburgh.

Missouri Groups to Meet

T. W. Caldwell, Home of New York, president of the Missouri Fire Underwriters Association, will preside at the first fall meeting of that body to be held at Jefferson City, Mo., Sept. 24. The Missouri Fire Prevention Association will also meet the same day. A. F. Nelson, New York Underwriters, being president of that body. Final plans for observance of Fire Prevention Week in Missouri will be discussed.

Glens Falls Appoints Dedrick

Gilman T. Dedrick has been appointed special agent in the New York service department of the Glens Falls. He will assist F. W. Tillotson, manager of the department, in production of brokerage business. Mr. Dedrick is well known among New York brokers, having formerly been connected with the brokerage department of the Phoenix of London and the National Liberty, and with the Wright agency.

Syracuse Field Outing

The Syracuse, N. Y., Field Club is holding its annual fall outing at the Syracuse Yacht Club on Oneida Lake, Sept. 28. Golf and other sports are being arranged to be followed by a dinner.

Plan Party at Springfield, Mo.

The Springfield, Mo., Association of Insurance Agents will give a party for all Missouri fieldmen at Lake Lindemore, 30 miles southeast of Springfield, Oct. 1.

Brookings, S. D. to Be Inspected

The South Dakota Fire Prevention Association will make an inspection of Brookings, Oct. 21. Harry K. Rogers, engineer fire prevention department Western Actuarial Bureau, will be the chief speaker at a public meeting.

Kansas City Barbecue

The Heart of America Blue Goose at Kansas City is planning a big event for next Monday. There will be a picnic and barbecue at Wildwood Lake, starting at 1 p. m. This will be a family affair. There will be games of many kinds and a barbecue in the evening.

Duprec to Shreveport

Lake Duprec of Henry Steckler, Inc., New Orleans, has been transferred to Shreveport, La., and will handle the northern part of the state while the

southern end has been assigned to Benjamin Franklin.

Special Agent at Seattle

Alfred J. Taggard has been appointed special agent for Glens Falls group at Seattle. He has opened offices at 1214 Hoge building.

Kansas Inspections

Ft. Scott will be inspected by the Kansas State Fire Prevention Association. Nov. 19 is the tentative date. The Kansas association inspected Horton last week.

The quarterly meeting of the Illinois Fire Underwriters Association will be held in Chicago Oct. 20.

NEW YORK NEWS

CLARKE WITH GREAT AMERICAN

R. G. Clarke, manager of the General Cover Association in New York City since its organization in 1929, has resigned to become manager of the improved risk department of the Great American group to succeed the late L. J. Borland, secretary. Herbert Ashcroft, who has been with the General Cover Association, becomes acting manager. Previous to going with that organization he was assistant secretary of Wallace Reid & Co. of New York City. Mr. Clarke was formerly an engineer of the National Board and then became special agent of the Glens Falls in New Jersey. Eleven prominent company groups formed the General Cover Association in 1929 and Mr. Clarke was selected the manager. The members are the Agricultural, American, Boston, Glens Falls, Great American, Hanover, Phoenix of Hartford, Providence Washington, St. Paul F. & M., Security of New Haven and Springfield F. & M. The office is at 84 William street, New York City.

* * *

LECTURES ON AVIATION

The initial lecture in the course on aviation insurance, conducted under the auspices of the New York Insurance Society will be delivered by J. B. Parker, Nov. 13; other lectures by persons importantly identified with either air transport lines or aviation underwriting association, will follow at weekly intervals until Feb. 5 save only for the period from Dec. 15 to Jan. 1. Examinations will begin, April 12. The committee in charge of the course consists of W. L. Jack Nelson, United States Aviation Underwriters, chairman; R. B. Cameron, Associated Aviation Underwriters and C. A. Sanford, Aero Insurance Underwriters.

* * *

EIGHT MONTHS LOSSES

The fire losses for the first eight months by month for the last three years are as follows:

	1934	1935	1936
Jan.	\$28,002,583	\$23,430,504	\$27,729,930
Feb.	31,443,484	25,081,625	30,909,896
Mar.	31,312,359	24,942,703	29,177,406
April	22,028,943	23,267,929	25,786,835
May	25,271,459	21,238,205	21,479,380
June	20,005,692	18,499,675	20,407,485
July	19,484,027	19,293,619	22,357,020
Aug.	19,613,146	18,137,060	21,714,495

Tot. \$197,161,693 \$173,891,320 \$199,562,447

The New York "Journal of Commerce" finds that there were 265 fires in August in the United States and Canada, which caused a damage of \$10,000 or more, the aggregate being \$9,759,800. The largest losses were as follows:

Waterbury, Conn., warehouses, \$100,000; Portland, Me., business building, \$90,000; Cheektowaga, N. Y., railway roundhouse \$90,000; Jamaica, L. I., store, \$125,000; New York City fur plant, \$125,000; Bristol, R. I., dairy barn, \$90,000; West Palm Beach, Fla., docks and warehouses, \$90,000; Greensboro, N. C., jewelry store, \$90,000; Mt. Pleasant, Ia., insane asylum, \$300,000;

Ottumwa, Ia., county home, \$125,000; Detroit, Mich., sign studio, \$150,000; Kansas City, Mo., walnut veneer plant and storage yard, \$300,000; Weston, Mo., two tobacco warehouses, two tobacco barns, dwellings and ice storage plant, \$500,000; Janesville, Wis., railroad freight cars, \$125,000; San Francisco, skating rink, \$90,000; San Jose, Cal., motor plant, \$90,000; Sonora, Cal., mine building, \$90,000; Sweetwater, Idaho, grain elevator, \$150,000; Kirkland Lake, Ontario, furniture warehouse and lumber yard, \$90,000; Port Arthur, grain elevator, \$100,000; Vancouver, B. C., shipyard, arena and other buildings, \$500,000.

New Automobile Service

BALTIMORE, Sept. 23.—The American Conference of Automotive Insurance Carriers, in process of organization here, plans supplying independent automobile writing companies the service previously rendered by the Automotive Service Bureau, directed by N. L. Dodd, who is acting secretary of the intended new venture. Among other services which the new organization may undertake will be: publication of rating manuals; printing of policy forms and riders; acting as purchasing agent for subscribers; serving as filing

agents; furnishing lists of approved attorneys, investigators and garage men; exchanging information as to losses, and conducting research work of a general character.

Reault Goes with Maccabees

Second Deputy Commissioner of Michigan Makes a New Connection—Department Shifts Are Made

J. E. Reault, second deputy commissioner in Michigan, resigns to become associated with the Maccabees with head office in Detroit. He has been connected with the department since 1920. R. M. Morse, head of the licensing division, becomes second deputy. His present duties will be divided between Seth Burwell and Howard Brower, who are connected with the department in clerical capacities.

Mr. Reault went with the department as assistant actuary and in February, 1927, was made actuary. When L. J. Treanor went with the Michigan Life Mr. Reault also became chief examiner. A year ago when Ralph M. Wade resigned to go with the Michigan Mutual Liability, Mr. Reault was then made second deputy. He has served for some years as a member of the blanks com-

mittee of the National Association of Insurance Commissioners.

Mutual Fire Companies Are Listed in New 1936 Directory

The American Mutual Alliance of Chicago, in its "Directory of Mutual Companies in the United States" in the 1936 edition shows that the premiums written by mutual fire companies last year were \$140,167,329 and losses \$41,880,080. Wisconsin leads in the number of mutuals, there being 250. It is closely followed by Pennsylvania with 247 and then near to its heels is Illinois with 244. There is quite a jump then down the line, but Indiana heads the second great procession with 181 mutuals, Minnesota, 179; Missouri, 165; Ohio, 145; New York, 158.

Plan Steubenville, O., Inspection

J. S. Campbell, president Keystone Adjustment Company, Pittsburgh, is to be the luncheon speaker at an inspection to be held Sept. 30 at Steubenville, O., by the Fire Prevention Association of Ohio and other organizations.

Vice-president F. C. White of the Hartford Fire is at the western department office in Chicago on a visit.

Follow Through!

IF YOU HAVE ANALYZED the Insurance needs of your customers and prospects during the Summer months—as more than five hundred of our Agents have done—you are now ready to start your most successful selling campaign.

Knowing Who needs What answers only half the problem: the other half is determining how to turn these prospects into the highest percentage of sales. Careful tabulation of the experiences of successful Agents over a period of five years has given us the answer to each sales problem presented by your analysis.

This comprehensive Sales Service is available to all of our Agents without cost—and we will be glad to show it to others who might want our representation if they find our claim to be as represented. Write to the Sales Promotion Dept. of The American Group, 15 Washington Street, Newark, N. J.

Federal Body May Reopen War Cases

(CONTINUED FROM PAGE 3)

annual report carries the item at the nominal figure of \$1. Two or three other companies still include the full amount of the obligation among their contingent assets; though the great majority ignore it entirely, feeling that if they ever do get anything on the account, it will be found money.

An interesting angle is the suit filed by British carriers some years ago to recover reinsurance on marine risks ceded by them to American offices, despite the fact that under an agreement between the British and German governments, all claims of nationals of either country against each other were wiped out on the ground that it was about a 50-50 trade. While action was filed against the American offices by their British cousins, the suit was never pressed and little was heard of it. Whether the case will come up in a general review of the whole German indemnity situation, in so far as insurance is involved, is one angle that underwriters are wondering about.

Effort of American members of the commission is to get awards or dis-

missal of the claims, but there is no thought, it was declared, of abandoning them, as was reported.

Much concern of insurance companies, it is said, is over their chances of collecting on awards already ordered. What and when they will collect, it was said, depends upon taking up by the German government of bonds deposited with the U. S. Treasury in 1930. Something over \$500,000,000 bonds was deposited six years ago to cover payment of awards. The bonds were to be taken up over a period of years, and Germany in fact did pay something like \$20,000,000 in three payments of interest, but thereafter notified the American government it could make no further payments. Defaults total to about \$53,000,000.

Expect Some Disposition

American members of the commission will press pending claims, as they did those already disposed of, and are hopeful that in the near future they will secure either award or dismissal.

The claims already awarded, it was said, cannot be abandoned. Of course, it is true they can be satisfied only as Germany sends money to the United States to meet its bond obligations. That, however, it was declared, is another matter, and the effort of the

mixed claims commission is to determine financial responsibility of Germany for the claims filed.

Main Features at Hershey Meeting

(CONTINUED FROM PAGE 3)

the steadily increasing volume of premiums controlled by brokers or brokerage offices as distinguished from agents and agency offices is making the question of brokerage an important factor in company receipts. Undoubtedly companies which refuse to pay to large brokerage houses at least 5 percent over authorized agency commissions are denied participation in a large volume of premiums arising from highly attractive risks.

President Powrie stated that the stabilization of commissions is coming to be quite as difficult and subject to fully as many revisions and subterfuges as apply to brokers.

Violation of Rules

The longest session was devoted to the consideration of violation of rules. Infractions are largely due to companies attempting to hold their business and using the excuse of defense for more aggressive measures. Very often it is found that pure suspicion causes a company to take for granted statements that are later found to be untrue. Here and there, particularly at St. Louis and some other hot spots, there are numerous deviations. At Hershey the membership was insistent that steps be taken to give the executive office and the governing committee full power to deal with these infractions and inflict penalties that will hurt.

Action on Collateral Lines

The W. U. A. adopted rules giving the governing committee power to enforce acquisition cost regulations of organizations dealing with collateral lines. This gives some force to the W. U. A. rules because it enables the organization to swing companies in line where they are paying excess commissions outside of the regular classes under the jurisdiction of the W. U. A. It is thought that this will do much to remedy situations here and there where undoubtedly some companies have paid higher commissions on collateral lines to sweeten the regular fire business. It will have a very salutary effect, for example, on automobile business.

Adamson Advanced

H. E. Adamson, Jr., has been appointed inland marine adjuster for the Cincinnati office of the Western Adjustment, replacing S. O. MacLean, who has resigned effective Oct. 1 to enter field work. Mr. Adamson has been assisting Mr. MacLean for the past three years and is thoroughly familiar with inland marine work.

Mariners Society to Meet

D. M. Ladd, chief of the Federal Bureau of Investigation at Chicago, will address the Mariners Society, organization of Chicago marine insurance men, at the first fall meeting to be held at the Bismarck Hotel, 6 p. m., Oct. 5, Yeoman J. H. Scott announces.

Many Conventions Are Scheduled These Days

There are a number of conventions that are in the offing these days. Next week the National Association of Insurance Agents will hold forth at the William Penn Hotel in Pittsburgh. The Vermont Association of Insurance Agents met at Fairlee, Vt., on Wednesday of this week. The New Jersey association meets at Atlantic City Thursday and Friday of this week. The Pennsylvania Association of Insurance Agents, taking advantage of the presence of the national body in its city, will hold a business meeting Sept. 28.

Big Casualty Gathering

The big casualty meeting, being a combined convention of the International Association of Casualty & Surety Underwriters and the National Association of Casualty & Surety Agents, will meet at the Greenbrier Hotel, White Sulphur Springs, W. Va., Oct. 5-8. Following the Pittsburgh meeting of the National Association of Insurance Agents will come a series of state meetings. The Kansas agents will meet at Wichita, Oct. 8-9 at the Lassen. Missouri people will go to the Tiger Hotel at Columbia, Oct. 8-9. The Utah association will hold its meeting at Salt Lake City, Oct. 10. The Wisconsin association selected Kenosha as its meeting place, Oct. 14-15. The Indiana men will go to Marion, Oct. 15-16. The Oklahoma association will meet at the New Skirvin in Oklahoma City, Oct. 15-16. During the same week as the Oklahoma meeting the grand nest of the Blue Goose will meet in Oklahoma City, Oct. 13-14.

The National Association of Mutual Insurance Companies and other allied organizations will meet at the Bellevue Stratford in Philadelphia, Oct. 12-15. The New Hampshire agents' meeting will be held at Manchester at the Hotel Carpenter, Oct. 20. The California agents will go to San Jose, meeting at the Hotel St. Claire, Oct. 21-23. The Maine agents will be at the Augusta House, Augusta, Oct. 21. The Massachusetts meeting will be at the Hotel Kimball at Springfield, Oct. 22-23. The Tennessee local agents will meet at the Noel Hotel at Nashville, Oct. 22-23, and the Ohio agents at Columbus, Oct. 27-28. The semi-annual meeting of the Western Insurance Bureau will be held at the Greenbrier Hotel, White Sulphur Springs, Oct. 20-22.

Todd with Edward Brown

James H. Todd has been named marine manager for Edward Brown & Sons, Pacific Coast general agents, at San Francisco. Mr. Todd is known in both shipping and insurance circles, having been associated with two steamship organizations and more recently with George E. Billings, insurance brokers.

Miscellaneous Notes

Harold M. O'Brien of the O'Brien Insurance Agency, Chicago, is doing his bit in the interest of justice by serving on the federal grand jury in that city.

L. B. Smith, formerly electrical inspector for years with the Mississippi Rating Bureau, Kansas Inspection Bureau and other offices, died in De Ruyter, N. Y.



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INSURANCE IN THE UNITED STATES

The American Mutual Alliance of Chicago has gotten out its 1936 edition of the "Directory of Mutual Companies in the United States." It finds that there are now 271 stock fire companies, 153 stock casualty and 119 stock accident and health, making a total of 543 stock insurance companies. There are 2,436 mutual fire companies, 188 mutual casualty, 46 mutual accident and health, making total mutuals 2,670. There are 67 reciprocals and 13 Lloyds. Therefore, in the United States there are

3,295 active domestic insurance organizations. There are seven Canadian stock fire and casualty companies operating in the United States and 72 foreign stock fire and casualty companies.

There have been 1,712 stock companies retired from business, 1,904 mutuals, 449 reciprocals and 147 Lloyds, making a total of 4,212. Previous to 1931 there were 1,518 stock companies retired, 1,624 mutuals, 406 reciprocals, 127 Lloyds, making 3,675, the Alliance states.



NATIONAL UNION FIRE INSURANCE COMPANY

Pittsburgh, Pa.

OUT OF THE MAIL BAG

"On March 6, 1906, I wrote [my first fire insurance policy, and it was placed with your company. This risk, by the way, continues with my agency and the National Union.]"

A
Good
Agency
Company

Delayed Alarms and Faulty Construction Chief Dangers

NEW HAZARDS DEVELOPING

T. A. Fleming of National Board Addresses Vermont Agents' Association at Fairlee, Vt.

Delayed alarms and faulty construction of buildings constitute the two chief dangers in any system of fire control, declared T. A. Fleming, director of conservation National Board, who spoke on "New Features of Fire Control" at the annual convention of the Vermont Association of Insurance Agents at Fairlee, Vt. With constant changes in manufacturing methods, he said, new and unexpected hazards are being developed and every agent should be familiar with the ever increasing fire dangers which are liable to affect the properties on which he has coverage. Mr. Fleming emphasized that the first five minutes of any fire is more important than the next five hours, and any delay in setting the alarm may result in a small blaze developing into a general conflagration. He said that a survey of losses over \$10,000, made over a period of years, showed that 1 percent of total number of fires was producing more than 60 percent of total losses. To insure the early detection of fires, necessary systems should be installed in all plants and even in homes.

Faulty Construction Is Factor

The survey also revealed that faulty building construction was, to a high degree, responsible for the greatness of the loss. Fire prevention work should therefore be begun where it will count for the most, in the proper planning and construction of buildings to resist the early spread of flames, superheated air, gases and other results of combustion.

Mr. Fleming pointed out that a so-called fireproof building may still be faulty in construction, because actual flame is not necessary for transporting fire. He told of several cases where fires which began in the basement spread to the top floor due to spontaneous combustion caused by superheated air which had risen to the top of the building through unprotected stairways. Consequently, hallways and stairways may have floors, walls and ceilings lined with marble, tile and metal, with no burnable materials in them, and can still be serious hazards because they act as flues to transfer fumes, hot air and gases to other parts of buildings where combustible material may be ready to burn.

The actual flames of the fire may extend only a few feet from the point of origin, but the hot smoke and invisible heat waves may travel through an incombustible stairway or hallway 50 or 100 feet, and then ignite the whole surface of a wooden door in an instant. At the same time, glass door panels and fan lights will collapse by rapid expansion and the intense heat entering rooms will kill occupants instantly and cause everything burnable to burst into flames.

Fire Protection Equipment

Mr. Fleming emphasized the importance of private fire protection, the installation of fire extinguishers, stand pipes and hose, and also automatic sprinkler systems. An automatic sprinkler system should never be penalized by taxation or exorbitant rates as it is a contributor to the city's welfare. He called attention to the increased danger the past few years of fires caused by dust explosion. Serious explosions of this nature have occurred in breweries, industrial and manufacturing plants and even in apartment buildings. In homes where gas is not available for use, a comparatively new individual system has been installed, using liquified pe-

COMPANY NEWS

Central Surety Fire Gets Charter, Now Writing Cover

KANSAS CITY, Sept. 23.—The new Central Surety Fire has received its charter and is writing business. The wholly owned subsidiary of the Central Surety, announced in June, is licensed to write all lines of fire, theft, tornado, windstorm, etc., but will concentrate for the present on automobile fire, theft, and tornado.

It will operate only in nearby states at present, Missouri, Kansas, Nebraska, Iowa, Oklahoma, Texas, etc. Later as volume warrants, it will enter other states. The company, with capital and surplus each \$250,000, will be operated by the same executive personnel and directorate as the Central Surety. It will be represented by Central Surety fieldmen and will operate through the same agencies.

On the organization date, Sept. 9, the financial statement showed \$50,677 cash, \$446,110 bonds and \$3,213 accrued interest. The bond value at market exceeded statement value by \$35,845.

Sell Union National Assets

The assets of the Union National Fire of Omaha were sold at receiver's sale, subject to confirmation by the court, to O. D. Trombla, representing the Dwelling House Mutual of Lincoln, who bid \$400 in cash and \$6,000 to be paid out of premium adjustments, that company having reinsured most of the company's risks. The assets had a face value of \$180,000 and consisted largely of mortgages and bonds that the state insurance department did not value very highly. An officer of the company served notice on the department that he would ask a 30 day continuance of the confirmation hearing being of the opinion that a \$10,000 cash bid could be secured. Unpaid claims aggregate \$30,000.

Miscellaneous Company Notes

Aside from the regular quarterly dividend of \$3 per share, the Buffalo will pay an extra dollar a share.

The Alleghenia of Pittsburgh, in addition to the regular 25 cents a share quarterly dividend, will pay 25 cents a share.

The National Liberty and Baltimore American have been licensed in Mississippi.

troleum called butane or propane. The National Board has prepared regulations for the safe use of this product, he said, requiring installation outside the house and the liquid turned to gas for use inside.

Another hazard which has become dangerous is in connection with draperies used in decoration in business houses. Every fire department, he declared, should require that stores, theaters, restaurants, civic gatherings and conventions should use only fireproof material for decorations. He also told of the hazard in connection with air conditioning systems, which are now coming into much wider use. A recent fire in a New York theater was caused by spontaneous combustion of the material with which the air conditioning pipes were lined. All lining for air conditioning pipes should therefore be of fire resistant material and suitable automatic dampers should be supplied in all pipes.

Miscellaneous Notes

The Independence, Kan., Board has appointed a business development committee composed of O. B. Ecker, Charles Stewart, Jr., and James D. Gilmore, president of the Kansas association.

Clyde Smith, president of the Dodge City, Kan., Board of Insurers and secretary of the Dodge City Abstract & Investment Co., has been elected president of the Rotary Club there.



AN "OLD LION" COMPANY

Lex Terrae, the Lion on our Coat of Arms, has decided to come down to earth and lay down the law.

Since 1765, Lex has been a rampant supporter of Independence. He first came into being on the escutcheon of Lord Camden, staunch advocate of the Rights of American Colonists.

Now, Lex is the symbol of the Camden Fire Insurance Association, the Largest Stock Company in America to remain free from Groups, Fleets and Running Mates.

Lex roars his greeting to you and invites you to become an agent of this Independent "Old Lion" Company.



CAMDEN FIRE INSURANCE ASSOCIATION

Camden, New Jersey

71 YEARS OF PROGRESS

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FIRE INSURANCE CO.
MANCHESTER, N. H.

With which is affiliated the
GRANITE STATE FIRE INSURANCE CO.
PORTSMOUTH, N. H.

Late News From the Pacific Northwest

SEATTLE, Sept. 23.—Louis LaBow, past president of the King County Insurance Association, was the principal speaker at the annual meeting of the Insurance Society of Washington. Ainsworth Blogg of the Northwestern Mutual Fire was elected president, C. Jenner, local agent, first vice-president; A. L. Pearson, Northern Life, second vice-president; and Miss Gertrude A. Philips, LaBow, Haynes & Snapp, secretary-treasurer. Vice-presidents of the various branches include Charles Parker, General of Seattle, casualty; Harriet Leighton, Northern Life, life; Jacket Hildreth, General of Seattle, inland marine; and Robert Tenney, United Pacific, surety. T. P. Evans, chief engineer for the Washington Surveying & Rating Bureau, was the retiring president. The organization is affiliated with the Insurance Institute of America.

TOM FOSTER DEAD

Tom Foster, widely known local agent and insurance engineer of Longview, Wash., died suddenly following a heart attack Sept. 20. Mr. Foster was the insurance engineer for the Long Bell Lumber Co., which operates the largest lumber mill in the world at Longview. Also, he was the manager of the W. A. Taylor Agency of the same city. He had been for several years a member of the executive committee of the Insurance Agents League of Washington. He got his first experience in insurance with the rating bureau in New Orleans.

NO CHANGE IN RATES

No changes in Washington fire rates will be forthcoming for the present at least it was announced following the recent meeting of the Washington advisory committee with the contact committee of the Insurance Agents League of Washington in Seattle. The present 30 percent deviation from the Washington Surveying & Rating Bureau's rates is expected to remain in force for some time.

Vogel Addresses Brokers

NEW YORK, Sept. 23.—Dr. S. L. Vogel, director United States Fidelity & Guaranty, was guest speaker at a meeting of the Brooklyn Insurance Brokers Association.

A proposal for a grievance committee to settle matters relating to illegal practices of brokers and other disputes, was discussed. It is planned to have the committee represent all organized broker groups in the city with two representatives from each.

Nebraska Blue Goose Meet

OMAHA, Sept. 23.—Nebraska Blue Goose resumed noon luncheons at the Hotel Fontenelle and held the first informal party the night of Sept. 22.

Home in Charge of Halifax

MONTREAL, QUE., Sept. 23.—Announcement is made here that the Home of New York, has assumed the management of the affairs of the Halifax Fire in Canada, but that the latter will retain its own separate offices and staff.

Fire Executives Meeting on General Conditions

NEW YORK, Sept. 23.—General fire underwriting conditions throughout the country are being considered by members of the Insurance Executives Association in session at the Waldorf Astoria, thus accounting for the large number of important non-resident company officials in town.

Six Omaha Agents to Bid for 1937 Spring Meeting

OMAHA, Sept. 23.—Six Nebraskans left to attend the National Association of Insurance Agents Convention in Pittsburgh Sept. 28-Oct. 3 in an effort to bring the 1937 spring meeting to Omaha. The delegation included A. B. Dunbar of Omaha, member of the national executive committee; George Cowton, Grand Island, president Nebraska association; Phil Downs, president Omaha association; C. A. Abrahamson of Omaha, president National Association of Casualty & Surety Agents and a convention speaker, and T. H. Maenner and Norman Casey, both of Omaha.

Several Company Officials to Attend Insurance Day

CLEVELAND, Sept. 23. — Several prominent officials of the largest companies have indicated they will be in Cleveland, Oct. 2, to take part in "Insurance Day" at the Great Lakes Exposition. All offices of Cleveland agencies are planning to make the day a holiday. Representatives of companies, located outside the state, will be here in large numbers.

A number of special luncheons and dinners have been arranged and it is expected that many returning from the annual meeting of the National Association of Insurance Agents, held in Pittsburgh, will stop off en route home. Cleveland agents will act as hosts at the big outing.

Connecticut Annual Meeting

The annual meeting of the Connecticut Association of Insurance Agents has tentatively been set for Oct. 21, to be held either at the Brooklyn Country Club or the Stratford Hotel at Bridgeport. The New England people are endeavoring to synchronize the annual meetings of the various states in that section so that they will come on consecutive dates.

Roy Davis as Host

Roy L. Davis, who has established an office in 466 Insurance Exchange, Chicago, as chairman of the non-partisan insurance committee of Illinois, espousing the cause of Insurance Director Ernest Palmer and seeking his continuation in office through the reelection of Governor Horner, will give a luncheon next week to members of the committee and others interested in the cause.

Mutual Agents Meeting

CINCINNATI, Sept. 23. — The National Association of Mutual Insurance Agents is holding its fifth annual convention in Cincinnati this week. While the convention is scheduled for Tuesday, Wednesday and Thursday, the main meetings will take place on Wednesday and Thursday, Tuesday being given over to registration and relaxation. All day Tuesday agents poured in from all parts of the country and it is expected that about 200 or more will be on hand for the opening session Wednesday morning. Tuesday afternoon was devoted to a golf tournament at the Kenwood Country Club outside Cincinnati and there was a stag dinner that night at the hotel, with numerous entertainment features.

Open Grand Island, Neb., Office

GRAND ISLAND, NEB., Sept. 23.—The Underwriters Adjustment has opened a branch office here under direction of C. T. Lawrence, who has had charge of the office at Hastings, Neb. The Grand Island office will handle the territory west and north of here.

Need More Effort to Cut Heavy Rural Fire Losses

TRAINING PROGRAM EFFECTIVE

Secretary of Agriculture Wallace Urges Observance of Fire Prevention Week Beginning Oct. 4

WASHINGTON, D. C., Sept. 23.—A definite downward trend has been noted in farm fire losses during the past three years but the appalling loss of life and high monetary loss still reflect the need of more and better rural fire protection, Secretary of Agriculture Henry A. Wallace said in urging observance of National Fire Prevention Week, which begins Oct. 4.

Each year about 3,500 people lose their lives in farm fires. Also the property loss is enormous. In recent years, department engineers say, this loss has been approximately \$100,000,000 annually. The peak fire losses were reached in 1930 and 1931 when figures for each year came to nearly \$120,000,000. These figures do not include the non-farming rural communities—small towns and cities of less than 2,500 population.

The greatest reduction in farm fire losses has come in sections where rural firemen have made a systematic study of fire hazards in special courses given for firemen. This movement has resulted in elimination of fire hazards by a greater number of farmers, increased activity on part of federal, state and local authorities in organizing groups for fire prevention and control, and, finally, the organization of many rural community fire departments.

"Although the effectiveness of rural fire departments is limited in many instances by lack of telephone, poor roads, and lack of water supplies," Secretary Wallace observed, "they have a splendid record in communities where these facilities are available. Their organization should be encouraged in every way possible and in communities served by rural fire departments organized effort should be made to increase effectiveness by providing suitable fire alarms and adequate water supplies."

Excelsior to Entertain

R. C. Hosmer, president of the Excelsior of Syracuse, announces that it will have a "muster" for the agents of that company who will attend the convention of the National Association of Insurance Agents in Pittsburgh. Letters of invitation to all Excelsior agents were sent out advising the agents that the "muster" will be held at the Keystone Hotel Sept. 30, at which time a dinner will be provided. Edwin J. Cole, chairman of the Excelsior board, and past president of the National Association of Insurance Agents, will be on hand to greet the guests. In addition to a number of Excelsior directors who will be in Pittsburgh for the convention, President Hosmer will be accompanied by his staff of field men.

Lloyd Barber's Change

Lloyd Barber of Barber & Tadlock a firm of independent adjusters located in Kansas City, Mo., is joining the Underwriters Adjusting Co. in its Kansas City office. E. N. Jacks is manager.

Liscomb Again Councillor

ST. PAUL, Sept. 23.—S. C. Aldridge, president of the Minnesota Association of Insurance Agents, announces the re-appointment of C. F. Liscomb, Duluth, as national councillor for Minnesota. Mr. Liscomb is beginning his fifth year in that post. R. M. Thompson, Minneapolis, has been re-appointed executive secretary. Members of the legislative committee are Armand Harris, St. Paul, chairman; E. A. Storkvik, Albert Lea, and Tom Gill, Virginia.

Pacific Coast Meeting

SAN FRANCISCO, Sept. 23.—Greatly encouraged over the operation of the rating bureau which was established in Utah earlier this year as a deterrent to a threatened rate war, and optimistic over conditions in Utah at present, members of the Utah committee of the Utah State Agents Association and the Inter-Mountain Field Club, met in San Francisco with the states committee of the Pacific Board. While there are still one or two companies writing at rates other than those issued by the bureau, there is "not much damage being done" by these companies and things are running much more smoothly than they were prior to establishment of the bureau.

Annual Meeting

The occasion was the annual meeting between representatives of the Utah agents, special agents and the Pacific Board and other than a general discussion of conditions and a number of routine matters, including supplemental contracts, explosion insurance and dwelling house rates, there appeared to be nothing of major importance. A plan for the writing of a standardized dwelling policy was presented but it was apparently pretty unanimously agreed that the proposed plan "would not work."

Those attending the conference, representing the Utah agents, included: Thos. Muir, Salt Lake City, chairman of the Utah committee; Clarence Raybould, Salt Lake City; Denzil Brown, Provo, president of the Utah State Agents Association, and Adrian Hatch, Logan. The Inter-Mountain Field Club was represented by S. E. Rich of Salt

Lake City, president. In the absence of Geo. V. Lawry, chairman of the states committee of the Pacific Board A. N. Lindsay presided. Other members of the board committee present at the meeting were: John A. Carlson, L. G. Feyen, L. S. Gregory, J. M. Mendell and B. O. Selbach.

OAKLAND AGENTS ELECT

Neal Harris, who served as vice-president of the Oakland Association of Insurance Agents the past year, was elevated to presidency at the annual meeting, Sept. 21, succeeding Elmer White, who becomes chairman of the executive committee. M. Chandler was elected first vice-president and Ray W. Jones, second vice-president. F. N. Lane was named treasurer and L. V. Graham, secretary. Members of the executive committee elected in addition to immediate Past-President White are: Taylor Douthitt, C. B. Gillelan, I. S. Rankin and P. E. Snook.

EAST BAY EXCHANGE MET

Floyd M. Lane was elected president of the East Bay Insurance Exchange at the annual meeting in Oakland, Sept. 21, succeeding C. N. Johnston of San Leandro. Elmer White was elected first vice-president, Helene H. Christiansen, second vice-president, S. S. Hammond, secretary-treasurer. Members of the executive committee in addition to retiring President Johnston are: H. D. Clark, Alameda; F. W. Oatman, Berkeley; R. M. Saylor, Neal Harris, H. L. Ensminger and G. B. Drake of Oakland.

Minnesota Agents Meeting Discusses Current Topics

The Southern Minnesota Agents' Regional Association held its regular monthly meeting at St. Peter. Arrangements for holding an "open meeting" at Rochester, Oct. 20, were completed except for minor details as to the program. The commissioner of insurance, rating bureau officials, officers of State and Range Association and the State and the Special Agents of corporate fire and casualty companies represented by the membership will be invited to this meeting. Lester Bickford of Owatonna gave a talk and discussed the "Insurance Laws of Minnesota." Howard Williams, Mankato, gave a resume of the recent insurance news.

Discuss Bank Connections

The matter of companies maintaining and establishing further bank agency connections in cities of 5,000 population and over in violation of the conference agreement was discussed, particularly as applied to Albert Lea and Mankato.

Motion prevailed, by unanimous ballot vote, that the Regional association "go on record as not being in favor of bank agencies in cities of 5,000 in accordance with the conference agreement and that the Albert Lea and Mankato situation be referred to the executive committee for action."

A committee consisting of Howard Williams, Mankato; Hilton Miller, St. Peter; C. W. Berkner, Sleepy Eye, was appointed to arrange for a regional meeting in the western part of the state in an effort to organize a unit in that section. It is found that it is quite a hardship for agents to travel much over 100 miles to attend these regional monthly meetings. The next executive regional meeting will be held at Wells, Nov. 17.

George Farnsworth of Marsh & McLennan's Seattle office spoke on "Value of Marine Insurance to Seattle Agents" at the luncheon meeting of the King County Insurance Association.

Special Chicago Committee Considering Trailer Rates

The special committee in Chicago to consider the cabin and house trailer situation is gathering a large amount of material. It will make a thorough survey of the situation and recommend proper rates and scope of coverage to the advisory committee of the National Automobile Underwriters Association in the west. It finds that there are some 200 concerns that are now making these trailers. There are hundreds of the home made variety and these are the least desirable from an insurance standpoint, because some are crudely constructed and are regarded as unsafe.

Will Establish a Standard

It will undoubtedly be the policy of the committee to establish a standard of trailer so far as insurance safety is concerned. The more modern trailers are more securely anchored to the pilot car than heretofore. The usual run of trailer costs from \$600 to \$1,500. Some of the special palatial types run as high as \$4,800 or \$5,000. There are already in the field concerns that are leasing trailers for so much a week. There are places where two or more families own a trailer jointly. The wiring, heating and cooking facilities have to be considered as they offer certain hazards. This is particularly true with a stove used for heating. Gas, oil and electricity are used. It is likely that a form will be provided so that personal effects and cabin contents can be insured under a comprehensive policy against fire, wind-storm and collision. It is not thought that theft of contents and personal effects can be covered because of the ease with which cabins can be entered.

Lawson to Give Talk

ST. PAUL, Sept. 23.—E. D. Lawson, manager of the marine department of the Fireman's Fund at Chicago, will address the St. Paul Association of Insurance Women at a dinner meeting Oct. 13. He will discuss "Marine Insurance."



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"An experienced Engineer can do a lot for an Agent or Broker. I just wrote a line for a large property owner—one of the most profitable deals I've ever made, that could not have been closed without this Pacific National service."

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EDITORIAL COMMENT

James Cravens' Construction Work

THE DEATH OF JAMES CRAVENS, head of the CRAVENS, DARGAN & Co. general agency of Houston, takes from the scene a constructive force who has been a pioneer in many directions. CRAVENS, DARGAN & Co. insisted all along on being purely a general agency, not mixing up with local agency transactions. In other words, they constituted a head office and their agents were local agents. They did not attempt in any way to compete with their agents nor did they seek to sweeten their commissions by carrying on a double deck local arrangement.

One of Mr. CRAVENS' characteristics was his reluctance to talk about the past. He was always interested in the present and much more so in the future. His mind was continually planning for days and years to come. Not many months ago Mr. CRAVENS was discussing a trip to Europe in order to confer with certain persons over there and further an idea which he felt would help the progress of his firm in some 10 years to come. He stuck to that thought of things to come to the end. His mind was rather profound and he rose above mere smattering of knowledge. When he reached a conclusion he could

not be drawn from it by specious reasoning or gilded allurements. In other words, he fixed a goal, set his mind on it and attempted to reach it.

Another outstanding trait in Mr. CRAVENS' character was his open mind. Although he was engaged in a business that is slow to take on new things he was constantly ready to adopt any course that he felt was progressive and yet constructive. He broke away from precedent and was not afraid of innovation. He pioneered many insurance forms in Texas and introduced a number of provisions and practices that were helpful. Mr. CRAVENS can be looked upon as a stabilizer in Texas insurance. He often came out in the open to fight excess commissions and other short cuts for securing business that he felt were not in accord with orthodox practices. If he considered that some system was antiquated and a more modern course should be substituted, he did not hesitate to sponsor it. It was probably Mr. CRAVENS' desire to associate with younger people and listen to the voice of youth that made him amenable to changing times when he felt that modernization was desirable.

Changes Are Made Slowly

SPEAKING before the MICHIGAN ASSOCIATION OF INSURANCE AGENTS, LAURENCE E. FALLS, vice-president of the American voiced the sentiment that changes along fundamental lines are made slowly and are due to a response from people. Violent upheavals are unusual. Such are to be deplored because their structure is likely to be flimsy. When basic alterations are to be made the work should be done in a very solid, careful, deliberate manner.

Very often we become impatient because things that we feel are not right are not adjusted. We are inclined to complain and condemn. Yet after all the things worth while have been very slow in growth. Public opinion and the best thought must accompany any move-

ment, and these are slow in shaping.

As Mr. FALLS pointed out, every forward step in the world's progress has been made while fighting against the opposition of those who are uninformed. Ignorance, prejudice and misinformation must be overcome. The insurance business is not peculiar in this respect. Companies that are well managed, Mr. FALLS pointed out, do not operate under the law of hysteria. They do not accept important changes without careful consideration. Every foot of the ground is measured. Deliberation, as Mr. FALLS stated, gives solidity. Companies that have fallen are those that yielded to immature suggestions and attempted experimenting in fanciful schemes.

Effect of Satisfactory Service

H. C. CONICK of New York City, assistant manager of the ROYAL-L. & L. & G. group, in a talk before the Michigan local agents, made a point that might well be taken to heart by all local men who do not appreciate the necessity for high standards of service to policyholders. He said it has been found in competition with non-organization companies, especially those that seek to get business at lower rates that very few risks that are satisfactorily serviced and well looked after by local agents are disturbed.

The non-conformists, he remarked, go after those where they are pretty sure the policyholders are convinced that the commission earned is not justified. Mr. CONICK said that there is always a great opportunity for the agent to take care of his assured by looking after his interests in an intelligent, business-like, resourceful way. If he becomes lax and indifferent or if he is not equipped to give the right kind of service, the assured then will be luke warm to a continuation of the relationship.

Therefore it seems to us that every

agent is vitally interested in seeing to it that his assured are thoroughly satisfied with the service that they are getting. If the agent is at all doubtful about the attitude of the assured then

he should redouble his efforts and put himself and his office in shape to give unquestionable service. Mr. CONICK's point is one that can well be taken to heart by us all.

Doing Work Below Par

WHEN a person is assigned a duty and there is a responsibility to it and through his own ignorance or fault he does a bad piece of work, his record is the one that is besmirched. He is the man who suffers the consequences. The concern for which he is working de-

serves his best effort. If it does not receive this then naturally it has not been given value received and is to an extent harmed. However, the one who will receive the black mark is the person who failed at his task, and he will suffer the most.

PERSONAL SIDE OF BUSINESS

George C. Hinkley, 74, president of the Hinkley Agency, Inc., which he established in West Allis, Wis., in 1906, and operated for several years as a corporation with his son George M. Hinkley as secretary-treasurer, died at his home in the Milwaukee suburb last week.

H. Clyde Edmundson, superintendent of agents in the western department of America Fore, Chicago, is back to his desk after six weeks at the Evanston Hospital, Evanston, Ill., where he underwent an operation.

Mary Louise Kessberger, daughter of G. P. Kessberger, adjuter for the Hartford Fire and Citizens in five counties surrounding Detroit and for many years keeper of the Michigan Blue Goose, will be married Sept. 26 to W. B. Davis, Saginaw.

John Glendenning, secretary and manager of the Philadelphia branch of the Franklin Fire, sailed last week on the liner "Queen Mary" for a three-week vacation in England.

Commissioner Hunt of Pennsylvania has returned to Philadelphia after a vacation spent in Ballyglass, Coonacool Tubbercurry, County Sligo, Ireland, which is his birthplace, and where his parents are still living on the same farm where he was born.

Otho E. Lane, president Fire Association, and family have returned following a five weeks holiday in the British Isles.

Following his address before the annual convention of the Vermont Association of Insurance Agents, at Lake Morey, this week, T. Alfred Fleming, head of the conservation department of the National Board, left for Lakewood, Ohio, where he is scheduled to address a mass meeting upon fire prevention lines. Earlier in the week Mr. Fleming spoke before the Watchmen's School, at Portland, Me., an association composed of watchmen in the city's hospitals, public schools and other municipally-owned properties.

Insurance Director Ernest Palmer of Illinois sailed Saturday for Bermuda, he joining the delegation of the Continental Assurance of Chicago, bound for that port, which was in charge of H. A. Behrens. These were the topnotchers of the Continental Assurance, who left for Bermuda following the 25th anni-

versary convention at Chicago. While in New York City Mr. Palmer paid his respects to Insurance Superintendent Pink.

R. R. Chapman, San Francisco, vice-president of Corroon & Reynolds and manager of the Pacific Coast department of the firm's companies, has been in Chicago and left for Pittsburgh where he and his wife are visiting Mrs. Chapman's parents. From there they will go to Nyack, N. Y. to visit relatives.

Ralph W. McCormick, 53, Marysville, Cal., local agent, died following a heart attack during an operation. Mr. McCormick had taken an active and prominent part in the affairs of the California Association of Insurance Agents, serving as president during the 1924-25 term, having been elected at Fresno convention. He had also served on numerous important committees of the association.

Honoring Arthur M. Brown, senior member of Edward Brown & Sons, pioneer Pacific Coast general agency, on the occasion of his 70th birthday, staff members of the organization presented him with a handsome testimonial of their regard and affection. Mr. Brown has been in the general agency field during his entire business life, starting as a young man under his father, the late Edward Brown, founder of the organization.

Walter E. Batterson is Republican candidate for Congress race in Hartford county, Conn. Mr. Batterson before being elected mayor of Hartford several years ago was for many years connected with the Travelers, first as a home office employe, then as a special agent in Chicago, and later as an officer. For a number of years he was assistant secretary of the compensation and liability department, and later became assistant secretary of the Travelers Fire when that company was organized in 1924. He is a grandson of the founder of the Travelers and his father was for many years resident director in Greater New York.

F. B. Allen, manager of the railroad department of the Home and connected with the company for 43 years, died at his residence in New York City last week, following a week's illness. Mr. Allen joined the Home in 1893, being given a position in its railway division by E. G. Snow, then vice-president, which line he afterwards centered on, becoming one of the best informed rail-



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way underwriters in the country. In the days of the Railway Insurance Syndicate he frequently attended its sessions as proxy for Mr. Snow, later so acting from time to time for Wilfred Kurth, president of the Home and chairman of the advisory committee of the Railway Insurance Association, which succeeded the old organization in 1920. A graduate of Columbia, where he was a classmate of E. G. Snow, Jr., Mr. Allen at the time of his death was reputedly a very wealthy man, having inherited a large estate from his mother and being remarkably shrewd in his investments.

S. R. Kennedy, who assumed the presidency of the Buffalo in 1924 and who has since been responsible for the steady growth of the company, was formerly vice-president of the Fidelity-Phenix; before which in turn he had field experience for the County Fire. His acceptance of his present post was at the invitation of its then president who desired to retire, and who felt Mr. Kennedy would make a very competent successor. The Buffalo represented the Fidelity-Phenix at its home city, and as the New York territory was under Mr. Kennedy's supervision he had frequent contact with the Buffalo management, who thus came to know of his ability. During the world war the Buffalo became uneasy about the reinsurance treaty it had with a leading German office. On Mr. Kennedy's presentation of the situation to the late Henry Evans, then head of the Continental group, the contract was taken over by the Fidelity-Phenix; arrangements to that end being effected by the former. It was because of the close association with the officers and owners of the Buffalo that Mr. Kennedy was asked to assume its presidency.

INSURANCE STOCKS

By H. W. Cornelius, Bacon, Whipple & Co., 135 So. La Salle St., Chicago, at close of business Sept. 21, 1936

	Par	Div.	Bid	Asked
Aetna Cas.	10	3.00*	104	107
Aetna Fire	10	1.60	51½	53½
Aetna Life	10	.80	31½	33
Agricultural	25	3.00	85	88
Amer. Alliance ..	10	1.20*	24	26
Amer. Equitable ..	5	1.05*	32	33
American (N. J.) ..	2.50	.50	14	15
Amer. Surety	25	2.25*	62	64
Automobile	10	1.20*	35	37
Balto. Amer.	2.50	.30*	8	9
Boston	1.00	21.00*	620	635
Camden Fire	5	1.00	22	23
Carolina	10	1.20*	27	29
Contl. Casualty ..	5	1.00	28	29
Contl. Ins.	2.50	1.45*	39	40
Crum & For. Com.	10	.90*	29	31
Fidelity & Dep. ..	20	2.25*	123	125
Fidelity-Phen. ..	2.50	1.45*	42	43
Fire Assn.	10	2.50*	78	80
Fireman's Fund ..	25	4.00	98	100
Fireman's F. Ind.	10	...	32½	33½
Firemen's (N. J.) ..	5	...	12	13
Franklin	5	1.20*	29	31
Glens Falls	5	1.60	41½	43
Globe & Repub. ..	5	.60	18	20
Gl. & Rut. (com.) ..	25	...	50	52
Gt. Amer. Fire ..	5	1.20*	28	29
Gt. Amer. Ind. ...	1	.15	8	10
Halifax Fire	10	.90*	23	25
Hanover Fire	10	1.60	34	36
Harmonia Fire ..	10	1.20*	25	27
Hartford Fire ...	10	2.50*	72	74
Hfd. Steam Boil. ..	10	1.60	80	82
Home F. & Mar. ...	10	2.00	43	44
Home Fire Sec. ...	10	...	4½	5½
Home (N. Y.) ...	5	1.20*	35	36
Homestead	10	1.00	20	22
Rights 50c-\$1.00.				
Ins. Co. of N. A. ..	10	2.50*	74	76
Kan. City F. & M. ..	10	.60	21	22
Knickerbocker ...	5	.50	14	16
Merch. & Mfrs. ...	5	.40	11	12
Merc. Assur. com.	5.00	1.75*	57	61
Natl. Cas.	10	.80	19	21
Natl. Fire	10	2.00	67	69
Natl. Liberty ...	2	.40*	10	11
Natl. Union	20	4.00*	134	138
New Am. Cas.	2	...	15½	16½
New Brunswick ..	10	1.30	33	35
Northern (N. Y.) ..	12.50	4.00*	93	95
North River	2.50	1.00*	26	27½
N. W. Natl. Cas. ..	2.50	.10	6½	7½
N. W. Natl. Fire ..	25	5.75*	121	125
Pacific Fire	25	5.00*	124	127
Phoenix, Conn. ...	10	2.50*	85	87
Prov. Wash.	10	1.25*	36	38
Repub. Ins., Tex. ..	10	1.00	26	27
Rossia	5	.70*	13	14
Security	10	1.40	36	38
Southern Fire ...	10	1.20	25	27
Sprgfd. F. & M. ...	25	4.75*	134	137
St. Paul F. & M. ...	25	7.50*	209	214
Travelers	100	16.00	535	545
U. S. Fire	4	1.90*	57½	58½
U. S. F. & G.	2	...	22	23
Westchester Fire ..	2.50	1.40*	35	36½

*Includes extra.
**Canadian funds.

Brevities From Rye, N. Y., Convention of Ad Men

Many personalities took part in the various activities at the Insurance Advertising Conference meeting at Rye, N. Y. J. A. Peirce, assistant advertising manager John Hancock Mutual, won considerable acclaim for his talk on "Why the intelligent married woman resists life insurance" in the life group session. Mr. Peirce said "Women hate dullness and solemnity. They usually pick dinner guests who have colorful personalities and know how to tell a good story. Maybe we should tell our story in a manner designed to woo the feminine ear from the more engrossing conversation of the advertiser who is now getting a good share of her attention and of the household budget."

Miss Margaret Diver of the advertising department of the John Hancock Mutual, pinch hit for A. H. Thiemann of the New York Life, who was unable to be present to read his paper on "Color Advertising" in the life group session. Miss Diver is regarded as one of the most exceptional and best informed members of the advertising conference.

One of the chief attractions was the reactometer set up by the Aetna Casualty. It drew a continual crowd of persons who slipped self-consciously into the chair and hit a pretty steady reaction time of one-half to three-eighths of a second. R. E. Brown, Jr. represented the Aetna Casualty at the convention.

In the absence of Frank J. Price, Jr., Prudential, who managed the publicity for the conference for the last year, his assistant, Miss Gertrude Conlon, undertook the task and handled it expertly. She received a vote of thanks from the entire conference for her untiring efforts.

Frank S. Eunis, America Fore, again was in charge of entertainment the night of the annual dinner and provided an unusual and attractive floor show.

After the election Wednesday morning President A. A. Fisk, Prudential, commented on the meeting held at the White House the previous day between President Roosevelt and several heads of life companies. Mr. Fisk expressed the belief that life insurance would receive an added impetus as a result of the meeting, the soundness of the companies having been stressed.

At the close of the meeting it was decided to name a committee of three New York members who will consider the possibilities of acting upon the suggestion made by Colonel Fowler of the New York police department that New York City be made an experimental laboratory for the nation in the study of traffic problems. Names of the committeemen will be announced later.

Mrs. Kimball Gray, daughter of Arthur A. Fisk of the Prudential, newly elected president of the conference, was a most capable hostess in charge of entertainment for the ladies.

Mr. and Mrs. Arthur H. Reddall were one of the most popular couples of the convention. Mr. Reddall was reelected secretary-treasurer to serve his fourth successive term.

Baltimore companies were well represented by Clarke J. Fitzpatrick, vice-president and secretary, U. S. F. & G.; David C. Gibson, Maryland Casualty and Sidney C. Doolittle, Fidelity & Deposit.

A. Wilbur Nelson of the National Board was in charge of the exhibits which were contributed by most of the companies as well as by the National Bureau of Casualty & Surety Underwriters and the National Board.

Clarence A. Palmer, North America, retiring president of the conference, was heartily congratulated upon his successful administrations of the past two years.



RHODE ISLAND INSURANCE COMPANY 31 Canal St., Providence, Rhode Island

● STATEMENT AUGUST 1, 1936 ●

ASSETS

Bonds and Stocks	\$2,971,612.19
Cash Balance	442,290.83
Agents' Balances Outstanding	394,747.97
Accrued Interest, Other Assets	71,929.32
Total Assets	\$3,880,580.31

LIABILITIES

Reserve for Unearned Premiums	\$1,624,231.48
Losses in Course of Adjustment	90,485.00
Reserve for Taxes, Expenses, All Other Liabilities	95,600.91
Special Reserve Account	30,000.00
Capital Stock	\$1,000,000.00
Net Surplus Beyond All Liabilities	1,040,262.92
Surplus to Policyholders	2,040,262.92
Total Liabilities	\$3,880,580.31

NOTE: All bonds and stocks are carried at Actual Market Value.

Policyholders rating A+ (Excellent)

This company is built on the best practices of insurance and the fine traditions typical of New England.

1794 1936

THE INSURANCE COMPANY
OF THE
STATE OF PENNSYLVANIA
PHILADELPHIA, PA.

ANNUAL STATEMENT December 31, 1935

Reserve for Unearned Premiums	\$1,809,635.22
Reserve for Losses Under Adjustment ..	149,175.40
Reserve for Taxes and all other Claims ..	134,629.82
Contingency Reserve	100,000.00
CASH CAPITAL	1,000,000.00
NET SURPLUS	1,424,295.41

TOTAL ASSETS

\$4,617,735.85

SURPLUS TO POLICYHOLDERS \$2,424,295.41

Acquire
THE OLD "STATE OF PENN"

FIRE INSURANCE NEWS BY STATES

MIDDLE WESTERN STATES

Rock Island Agents' Outing

Annual Field Day Brought a Variety of Entertainment to Local Agents and Their Guests

The Rock Island, Ill., Fire & Casualty Insurance Board had its annual outing last week at the Rock Island Arsenal Golf Club. Golf contests were held



C. J. MONTGOMERY

during the afternoon. The local committee consisted of F. J. Budelier, general chairman; Miss Helen M. Stombs, chairman reservations; R. C. Mitchell, chairman dinner; E. A. Manhard, entertainment; C. J. Montgomery, golf tournament. Mr. Montgomery is president of the board. Mr. Budelier is president of the Illinois Association of Insurance Agents.

Notables Introduced

Some of the notables introduced at the dinner program were S. E. Moisant of Kankakee, secretary Illinois Association of Insurance Agents; W. H. Jennings, Jr., Rockford, chairman local board committee of the state body; C. D. Lasher of Chicago, general manager Home of New York; Fred D. Hess, J. G. McFarland, assistant manager and superintendent of agencies respectively in the western department of the American. R. J. Harmon of Springfield, E. A. Manhard of Rock Island and J. G. McFarland captured the blind bogey prizes. E. A. Schumacher of the Union of Indiana had the low gross, his score being 77. Jean A. Kulp and John T. Harding, Millers National, had the best score for the four shortest holes. J. Dean Wells of Chicago had high gross and L. F. Braman of Rockford won the prize in the contest for the non-qualifiers in the blind bogey.

Milwaukee Fire Prevention Plans

MILWAUKEE, Sept. 23.—Under the sponsorship of the fire prevention division of the Milwaukee Association of Commerce, a city-wide educational campaign will mark the local observance of Fire Prevention Week, Oct. 4-10. The committee in charge includes C. R. James, special agent Aetna Fire and secretary of the Wisconsin State Fire Prevention Association; Henry Eckstein, C. F. Hibbard Agency, chairman fire prevention committee of the Milwaukee Board, and Eugene Hackett, chief of the fire prevention bureau of the Milwaukee fire department.

Credit Men View Insurance

Hilgemann to Talk at Oshkosh Meeting—Nevitt Invites Local Agents to Attend

OSHKOSH, WIS., Sept. 23.—George P. Nevitt, of the West-Nevitt Co. agency here and vice-president of the Central Wisconsin Association of Credit Men, has extended an invitation to insurance agents to attend the annual conference of Wisconsin and Upper Michigan credit men here Oct. 13. Since the National Association of Credit Men, through its affiliated associations, is endeavoring to educate its members on "Insurance and Its Relation to Credit," this subject will be one of the most important on the local program. It will be the title of an address by L. C. Hilgemann, vice-president of the Leedom-O'Connor & Noyes Co., agency and president of the Milwaukee Board, to be followed by a discussion. Henry Heilmann, executive manager of the National Association of Credit Men, New York City, will be the principal speaker at the dinner meeting.

Ohioans Discuss Business Development Office Issue

COLUMBUS, Sept. 23.—John A. Lloyd, secretary Ohio Association of Insurance Agents, who is preparing his annual report for the convention here next month, says the organization is sound financially and has the largest membership in its history. Among the speakers at the convention will be W. H. Bennett, secretary National Association; Paul L. Haid, president Insurance Executives Association; Robert L. Bowen, Ohio insurance superintendent, and Thomas M. Miller, assistant attorney general in charge of insurance mat-

ters. A get-together banquet will again be a feature.

The trustees of the Ohio association will hold a meeting in Columbus Oct. 26, preceding the convention. At this meeting a committee appointed some time ago to investigate the Business Development Office question will make a report. On this committee are C. R. Laurenson, Canton; I. S. Hewitt, Youngstown; Robert Stuart, Steubenville. Both stock and mutual insurance agents are members of the Ohio association.

Wayne University, Detroit, Offers Insurance Courses

Wayne University in Detroit has announced two insurance courses in its evening school curriculum for the coming term. One will cover fire and marine, and will be conducted by H. T. Stock, a partner in the Arthur J. Stock Insurance Agency, who is well known as a writer on insurance topics, the Detroit "Free Press," chairman of the publicity and educational committee of the Detroit Association of Insurance Agents and a member of the same committee of the National association.

The other course will cover casualty, fidelity and surety, with Harold Reinhold, superintendent of surety department United States Fidelity & Guaranty, Detroit, as instructor.

Both courses may be taken the same term. They are designed to appeal particularly to young executives, credit men, insurance agents and to anyone interested in the various phases of the insurance business.

Cincinnati Insurance Course

The University of Cincinnati will again offer a course in property insurance and allied lines in conjunction with the Cincinnati Fire Underwriters Association educational committee of which Walter Alexander is chairman. The course is intended for those who completed last year's course on the same subject and experienced agents and office employees who have obtained an equivalent knowledge of this field. The

course is given Monday evenings beginning Sept. 28 by Dr. F. E. Wolfe, who offered the course last year. Tuition is \$20, payable \$12 in September and \$8 in February, for residents and \$5 additional for non-residents of Cincinnati.

Some of the guest lecturers invited to address the group this year are: Theodore Safford, president Cincinnati Fire Underwriters Association; L. H. Wiggers, manager insurance department Procter & Gamble, Cincinnati; J. H. Burlingame, manager Western Adjustment, Cincinnati; J. J. Seiwert, Ohio Inspection Bureau, Cincinnati; R. M. Beckwith, assistant manager, and R. E. Vernor, manager fire prevention department, Western Actuarial Bureau, Chicago; F. S. Dauwalter, Business Development Office, New York.

Indiana Fire Losses

From June 1, 1935, to May 31, 1936, a total of 5,380 fires, caused total fire loss of \$5,017,632 for that period in Indiana. The annual report of the state fire marshal's division reveals that both number of fires and damage increased over the preceding fiscal year, but dropped from the year before. For the year ended May 31, 1935, 4,561 fires resulted in losses of \$4,345,843, while for the year ended May 31, 1934, loss was \$6,012,475 from 6,000 fires.

In the past fiscal year, rural fire loss was \$1,799,624 in property and \$651,839 in contents from 1,256 fires. Of the total losses, investigation showed 64 fires of incendiary origin, 26 cases were tried in court and 16 persons were convicted of arson.

Heads New Missouri Group

Sam C. Sherwood is president of the recently organized Excelsior Springs, Mo., Insurance Association, which has affiliated with the Missouri Association of Insurance Agents and through it with the National association. In addition to Mr. Sherwood the charter members of the local association include Frank A. Benson, W. J. Griffey, McRorey Insurance Agency, and Ernest C. Rempfer.

Addison Farmers Mutual Report

The Illinois department has made an examination of the Addison Farmers Mutual of Elmhurst, Ill., as of Oct. 31 last. Its assets were \$147,771, surplus \$57,744. The report says the company is efficiently and economically managed. Its financial condition is sound. The treatment accorded policyholders is fair. It has invested in bonds which do not conform to the provisions of the mutual act. The company was organized Feb. 22, 1852. George W. Howes is secretary and H. W. Lies of Roselle is president. It operates in Illinois outside of Chicago. Its total income up to Nov. 1 was \$51,073, including premiums \$37,680. Its losses are \$26,703, total disbursements \$53,778. Its premium reserve is \$84,920.

Probably Meet in November

The directors of the Illinois Association of Insurance Agents will meet after the annual meeting of the National association to decide on the time and place of the state annual meeting. It is not likely that the Illinois meeting will be held until after the federal election in November.

Discuss Convention Plans

Plans for the annual convention of the Kansas Association of Insurance Agents at Wichita, Oct. 7-9, were discussed at the Wichita Insurers' last meeting. Charles K. Foote, general chairman, Frank T. Priest, program chairman, and C. J. Slawson, golf chairman, reported.

Programs for the year of the Wichita Insurers were discussed by Howard

Conduct Minnesota Courses



LOUIS L. LAW

MINNEAPOLIS, Sept. 23.—Evening courses in insurance at the University of Minnesota begin Sept. 28. Two courses will be offered, each continuing 17 weeks with classes once a week in each course.

The general insurance course will be in charge of P. H. Ware, secretary-man-



P. H. WARE

ager Minneapolis Underwriters Association, and will include lectures on the various fire and casualty coverages. Louis L. Law, state agent London Assurance, will conduct a special course in fire and marine insurance. The fee for each course is \$10. Many insurance people are interested in this movement.

Fullington of the Dulaney, Johnston & Priest Agency, program chairman. A. E. Small reported on special work of the executive committee, William Matchette on Fire Prevention Week activities.

Roose Case, dean of the Kansas agents and former president of the Kansas association, has been selected to head the conference of agents from towns of less than 2,500 population at the Kansas convention.

The Kansas field men of the North America have announced an essay contest in connection with the Kansas agents convention. All agents, brokers and solicitors are eligible but must be registered at the convention and present at the banquet meeting to receive the prize. A similar contest in 1935 was won by Webb Woodward, Topeka agent. Essays must not be over 500 words, typewritten on plain paper and mailed or delivered to State Agent R. B. Lathan, 207 Fourth National Bank building, Wichita, by Oct. 8. Judges are to be appointed by the convention committee headed by C. K. Foote, and the winning essay will be read at the convention.

Dinner for Kansas Committee

WICHITA, KAN., Sept. 23.—The Wichita Insurors will give a dinner for the executive committee of the Kansas Association of Insurance Agents Oct. 7, the opening night of the annual meeting of the Kansas association. The annual meeting of the executive committee will be held that afternoon. A "Rendezvous at the Town Tavern" will feature the association's entertainment that evening.

Kansas May Have Manager

Notice is given that there will be offered an amendment to the by-laws of the Kansas Association of Insurance Agents at its Wichita meeting, Oct. 7-9, authorizing the executive committee to employ a business manager. In the event no business manager is employed the duties of the office shall rest with the secretary.

Minnesota Membership Drive

ST. PAUL, Sept. 23.—A goal of 100 new members the coming year has been set by the Minnesota Association of Insurance Agents which will soon open a membership drive under the leadership of Harry Levant of Eveleth. This was decided at the first meeting of the new executive committee.

Minnesotans Back St. Paul

ST. PAUL, Sept. 23.—When St. Paul puts in its bid for the 1937 convention of the National Association of Insurance Agents at the Pittsburgh meeting next week, it will be backed up by one of the strongest delegations Minnesota ever has sent to the national convention.

Representing the Minnesota Association of Insurance Agents will be S. C. Aldridge, St. Paul, president; E. C. Huhnke, Duluth, chairman executive committee, and P. H. Ware, Minneapolis.

olis. The Minneapolis Underwriters Association has named as delegates Austin B. Caswell, president; Wesley J. Kelley and L. E. Hatlestad, directors. The St. Paul Insurance Exchange probably will send George Radcliffe, chairman of the executive committee; H. S. Matteson, secretary, and one other yet to be named.

Increase Racine School Line

RACINE, WIS., Sept. 16.—The local board of education has adopted recommendations of the property committee that insurance on public school buildings be increased to 80 percent of the appraised valuation, fixed at \$3,229,014 in an appraisal made this summer. Present coverage is \$1,027,000 fire and \$513,250 windstorm, a total of \$1,540,250.

Priest to Give Talk

Frank T. Priest of the Dulaney, Johnston & Priest Agency, Wichita, will speak Nov. 16 in a series of business lectures sponsored by the Wichita Independent Business Men's Association. He will talk on "Insurance—An Asset to Your Business."

Lumbermens Mutual Meet

A regional meeting of the Lumbermens Mutual was held in Columbus, O., under the direction of Russell Davis, district manager. Agents from central Ohio, Kentucky and West Virginia attended. Among the speakers were Charles H. Keating, president; W. H. G. Kegg, secretary; P. O. Fiedler, branch office supervisor, and L. H. Jones, advertising manager.

Hutchinson Meet Sept. 29

The Hutchinson, Kan., Board is holding its first fall meeting Sept. 29.

Study School Cover

The Dodge City, Kan., Board at its September meeting made further plans to rewrite the public school insurance under a general form with the latest clauses.

Picnic at Newton, Kan.

The Newton, Kan., Board held its annual picnic on the lawn of B. H. Northcott, member agent. The next meeting is Oct. 7.

Kridler Buys Greer-Snell

Because of the illness of O. B. Snell, the Greer-Snell Company at Toledo has been sold to Walter S. Kridler.

Middle West Notes

The General Brokerage Corporation, Highland Park, Mich., has been incorporated by Clyde Austin, Highland Park, and J. Q. Mills and Louis J. Koziol, Detroit.

Alfred Palmer, 46, of the Palmer Insurance Agency at Antigo, Wis., died following a two month illness with heart trouble. He was associated with Jessie Peterson in the Palmer Agency since the death of his brother, Edwin, about five years ago.

IN THE SOUTHERN STATES

McLarry Is Made President

Son of Famous Denny D. Is Chosen Head of the Dallas Insurance Agents Association

Richard H. McLarry, the youngest son to ever hold the office, was elected president of the Dallas Insurance Agents Association at the annual meeting. He



RICHARD H. McLARRY

is the head of the local agency bearing his name and formerly in the local office of Harry I. Maxson. Prior to that time he was in the New York office of the Home. His father, Denny D. McLarry, is general agent in Dallas for the Home.

Paul Kirkpatrick, head of the Kirkpatrick-Thompson Agency, was elected first vice-president; Fred Mallinson, head of the firm bearing his name, was chosen second vice-president, and Fred Jernigan, partner in the local agency of Andrews-McDowell & Co., was reelected secretary-treasurer. Alfonso Johnson will continue as manager.

Elect New Directors

The four officers elected with the following directors make up the official family: Cruger T. Smith, Don H. Houseman, A. T. Simpson, E. C. Gambrell, Wm. J. Reilly, O. W. Cox, Aubrey Costa and Walter N. Hill.

The association now has 87 members, having started in 1930 with 21, and the prospects are that there will be 100 members by Jan. 1. It is conservatively estimated that the members write about 85 percent of the fire and casualty business of Dallas.

Oklahoma Insurors to Meet

Annual Gathering to Be Held at Oklahoma City, Oct. 15-16, Preceding Blue Goose Rally

The annual convention of the Oklahoma Association of Insurors, scheduled for Oct. 15-16 at Oklahoma City, carries special interest because it overlaps by one day the grand nest meeting of the Blue Goose to be held there Oct. 13-15. The morning session will include an address by a representative of the Oklahoma Bankers Association, and another by an insurance buyer representative. Administration reports will be given, including that of the president. An executive session is scheduled the same afternoon. An entertainment is being planned for the evening.

National President to Talk

The second day, plans are to have an address by the president of the National Association of Insurance Agents, who is to be elected Sept. 28 at the Pittsburgh meeting. Paul L. Haid, president Insurance Executives Association, is also expected to speak. Then will follow a tribute to the most loyal grand gander of the Blue Goose, who will be introduced by Cornelius M. Smith, most loyal gander of the Oklahoma pond.

In the afternoon a conference is scheduled for all stock company representatives to discuss non-stock competition, under the auspices of the joint business development office of New York. John A. Bosdett, state agent Royal-Liverpool group at Oklahoma City, and C. R. Haskett will have charge.

Agents and Field Men Work on Tornado Form in Florida

JACKSONVILLE, FLA., Sept. 23.—President L. P. McCord, of the Florida Insurance Agents Association, has, at the request of the Florida field conference, named the following committee, to sit with a company committee to confer on recommendations to the S. E. U. A. for complete revision of the tornado policy as now used in the state: F. P. Adey, Miami Beach, chairman; George T. Bohler, West Palm Beach, and Clifford A. Payne, Jacksonville. For the field men Chairman Percy Putnam has named F. W. Holly, Sam E. Myrick, F. R. McIntyre, Jacksonville. The agents have long sought such revisions of the tornado policy as will better adjust the requirements in the several sections of the state. It is understood that the investigation will include a full study of building codes, it having been found, in this connection, that in the Miami area the damage from heavy

COOLING - GRUMME - MUMFORD CO., INC.

General Agents for Indiana:—

American Equitable Assurance Company
New York Fire Insurance Company
Manhattan Underwriters Agency
Standard Insurance Company of New York

Indiana Insurance Company
Associated Indemnity Corporation
American Fidelity & Casualty Company
Switzerland General Insurance Company, Ltd.

writing

All lines of Fire, Automobile, Casualty and Inland Marine Insurance

Excellent facilities for coverages on LONG HAUL TRUCKS

Liberal Commissions

AGENTS WANTED IN INDIANA

BROKER'S ACCOUNTS SOLICITED

CONSOLIDATED BLDG., INDIANAPOLIS

winds is far less in buildings erected under the new 1926 code than those put up prior to this adoption, which came along just after the big storm of 1926.

New Cottonseed Oil Mill, Gin Rate Schedule Ready

NEW ORLEANS, Sept. 23.—New fire insurance rate schedules for cottonseed oil mills and cotton gins were approved by the Louisiana insurance commission at its semi-monthly meeting and open hearing. The new schedules, operative when promulgated by the Louisiana Rating & Fire Prevention Bureau on Sept. 26, will benefit individual owners of oil mills and refineries by removing the 30 percent increase imposed several years ago when experience on such risks was unsatisfactory. Revision of the cotton gin schedules is said to give owners of gins, using modern, all-metal machinery, a decided preference in rate.

Would Limit Brokerage

AUGUSTA, GA., Sept. 23.—At the last meeting of the Augusta Board of Underwriters it was proposed that the constitution be amended so that it will not be permissible to pay brokerage on any business offered by a life agent who represents no fire or casualty company and not a member of the board.

Little Rock Agents on Tour

Raymond Rebsamen and Jack East of Rebsamen & East, Little Rock local agents were in Chicago this week en route to Detroit where they were to spend a day or so at the head office of the Standard Accident, they being general agents. From there they will journey to Boston.

Newspaper Has Rain Cover

FORT MYERS, FLA., Sept. 23.—Advertising in the "News-Press" cost merchants nothing when a quarter of an inch of rain fell in mid-afternoon. The newspaper had insured advertisers in a 26-page bargain day special edition against more than two-tenths of an inch of rain between 8 a. m. and 8 p. m. The insurance premium was one-third the total price of advertising.

Seek First Class Rating

LAKELAND, FLA., Sept. 23.—In connection with a movement for more firemen and extension of fire department equipment the Lakeland city commission is being importuned by the agents and the public to secure from the S. E. U. A., consideration of a step up from second to first class rating.

Oklahoma Vote Questionnaire

Replies from 142 members to a questionnaire sent out by the Oklahoma Association of Insurers, indicates that there are 1,025 persons dependent solely

on the reporting local agencies of the state who believe they can influence 10,512 voters in their communities. This group represents slightly more than 43 percent of the entire membership, which is 330. The purchasing power of the reporting group is estimated at \$1,115,-430.

Regional Meets in Louisiana

NEW ORLEANS, Sept. 23.—Regional meetings will be again conducted this year, probably in November, by the Louisiana Insurance Society. President Terrell Woodsley has conferred with Mr. White, chairman of the Louisiana Casualty & Surety Rating Commission and has secured a promise that either Mr. White or a representative of the commission will attend the regional meetings and explain in detail operation plans for the newly created body.

Talley Named Florida Deputy

J. Henry Talley has been appointed deputy insurance commissioner of Florida. Mr. Talley started his career with the old southern department of the North America at Atlanta. Later he became special agent for the North America and in 1911 moved to Miami where he established the firm of Dorn & Talley, which was discontinued in 1913 when Mr. Talley entered business for himself under the name of J. H. Talley & Co. That firm went out of existence in 1923, since which time Mr. Talley has operated in the insurance field here as a broker.

Consider Educational Work

SAN ANTONIO, TEX., Sept. 23.—At the meeting of the San Antonio Insurance Exchange the problem of acquainting the members with the information on mutual insurance provided by the Business Development Office, was taken up. C. F. Dieter suggested that meetings be held for discussion or that a school be conducted so that all members might profit from a study of the material made available.

Secretary F. F. Ludolph plead for cooperation in the exchange for protection of the membership against "rackets" which are operated under the guise of safety drives and accident prevention and seek to obtain money from insurance men.

Study Business Getting

The Alabama central committee in two meetings in Montgomery developed some ideas on business getting methods to be submitted to the national committee at the Pittsburgh meeting. The Alabama committee was in full attendance at the meetings and included Charles L. Gandy, chairman, L. J. Thomas, president of the Alabama Association of Insurance Agents and Owen Meredith, representing local agents and C. K. Knox, J. Y. Brame and Fred Hawkins, representing special

agents. Mr. Knox was placed on the committee to succeed W. G. Ward, resigned.

Board Advertising Pays

MIAMI, FLA., Sept. 23.—The Greater Miami Insurance Board is getting results from its advertising program. President Briggs Branning has written Secretary A. C. Eifer, of the

state association, that the plan has been very much worth while. The public, Mr. Branning finds, is becoming conscious of the fact that the local board is worthy of consideration, and property owners, in many cases, have inquired of the agents handling their business if they are members of the agency board.

C. P. Carriere, Jr., has opened an agency in the Vincent building, New Orleans.

PACIFIC COAST AND MOUNTAIN

Makes Reinsurance Decision

California District Appellate Court Finds for Globe & Rutgers in Litigation with Liberty Bell

Interpretation of a form of binder for reinsurance in common use is seen in decision of the California district court of appeals wherein the Liberty Bell was ordered to pay its proportion of a loss by fire several years ago in the Holly Sugar Plant at Tracy, Cal. The suit was instigated by the Globe & Rutgers which had insured the Holly company for 1929-1930. It had established a schedule and reinsured 87½ percent of the liability, retaining 12½ percent. One reinsurer was the Liberty Bell, which later merged with other defendant companies. Prior to expiration and in contemplation of renewal, the Globe & Rutgers obtained from the reinsurers a stamp placed upon the back of the expiring reinsurance certificates stating, "keep covered 60 days from expiration pending renewal," with the date and initials of a representative of the reinsurer.

Involved "Keep Covered" Binder

Thereafter the Globe & Rutgers policy was renewed for the term 1930-1931, and the company decided to increase its participation to 17½ percent and reinsure but 82½ percent of the liability. This intention was not communicated to any of the reinsuring companies, but the Globe & Rutgers presented applications for reinsurance certificates in conformance with this new schedule but made no such application to the defendant and several other companies from whom it had theretofore obtained "k. c." notes for 60 days. When a loss occurred the Globe & Rutgers made no demand against the defendant, but after the fire several reinsurers canceled their participation and the plaintiff concluded to utilize the "k. c." binders from the other companies which they held but to which they had not applied for reinsurance certificates for the full year.

Several weeks later a second fire occurred and demand was made against defendant for its proportion of loss and application forwarded for issuance of a reinsurance certificate for the full year. The defendant company declined liability, contending the plaintiff had made

up its reinsurance schedule and rejected the defendant's binder, and the binder was without consideration and of no effect after renewal of plaintiff's policy. All this occurred within the period of 60 days referred to in the "k. c." binder.

The plaintiff contended the binder was a present and valid insurance contract until either canceled by defendant or until the 60-day period elapsed. The court upheld this viewpoint and stated this endorsement on the expiring reinsurance certificate constituted a cover note of present insurance, and that it was necessary to express any consideration as the usual premium would be implied. The court also stated adjustment of the reinsurance schedule by the plaintiff without communicating with the defendant in nowise could affect defendant or result in abandonment of such binders as the plaintiff had at first concluded not to use.

The important part of the decision, say insurance attorneys, is that such a cover note is declared to be for the purpose of enabling the ceding company to secure such reinsurance as it desires, and to complete its schedule, and that it has the full period of 60 days within which to do this. The binders are in force and effect during all of that time unless the reinsuring company sees fit to cancel its participation. It had been a further contention of the defendant that the words stamped on the reverse side of the expiring certificate were merely an offer to reinsure, but this theory was rejected by the court. The court said there could be no estoppel upon the plaintiff unless the defendant had relied upon some action of the plaintiff to their detriment. According to Evans Taylor, of Thornton, Menzies & Taylor, attorneys for the Globe & Rutgers, the case serves as a precedent for interpretation of this form of binder in common use on the Pacific Coast and establishes the effect and duration of the contract entered into.

Department Official Gives Warning of Credit Abuses

Because the practice of extending credit to the agent or broker beyond the legal limit is looked upon with disfavor and in the past the California insurance division has found it necessary to revoke licenses of some agents be-

U N I O N
INSURANCE COMPANY OF
INDIANA

Executive Offices: INDIANAPOLIS

BRANCH OFFICES

Columbus, Ohio
2910 A.I.U. Citadel

Decatur, Ill.
253 S. Park

FIRE

PLATE GLASS

AUTOMOBILE (All Covers)

TORNADO

PUBLIC LIABILITY



Agency Inquiries Invited



A strong, progressive stock company. Organized 1849. Desirable territory in Indiana, Illinois and Ohio

INSURANCE ATTORNEYS

• The insurance law firms whose professional cards are shown on this and the succeeding pages have been selected after careful investigation. They have the recommendation and endorsement of The National Underwriter.

ALABAMA

**BRADLEY, BALDWIN,
ALL & WHITE**
21st Floor Comer Building
Birmingham, Alabama

**LAW OFFICES OF
Coleman, Spain, Stewart
& Davies**
706 to 719 Massey Building
Insurance Attorney
Birmingham, Alabama

HENRY C. MEADER
First National Bank Building
Montgomery, Alabama
Equipped for Investigations and Adjustments,
Settlement of Claims, Trial of all Insurance
Cases in State and Federal Courts in Central
and Southern Alabama.

ARKANSAS

WARNER & WARNER
Merchants Bank Bldg.
Fort Smith, Arkansas
Representing U. S. F. & G. Co.; Standard Am.
Ins. Co.; American Surety Co.; Continental Cas-
ualty Co.
Equipped for investigation, adjustments and settle-
ment of all claims. Trial of all cases in State and
Federal courts in western Arkansas.

**COCKRILL, ARMISTEAD
& RECTOR**
Southern Building
Little Rock, Ark.
Representing the Travelers Ins. Co., Employers
Group, Boston, Continental Cas. Co., Chicago.
Equipped for investigations, adjustments and settle-
ment of all claims. Trial of all cases in State and
Federal Courts.

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Francis D. Crable
Suite 17, Union Block
Prescott, Arizona
Representing New York Casualty Co., Travelers, and
others.
Trial of cases in State and Federal Courts.
Equipped for investigations, adjustments and settle-
ments of all insurance claims.

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512 Valley National Bldg.
Tucson, Arizona
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chusetts Bonding, The Travelers and other
leading companies.
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**EVERTS, EWING, WILD &
EVERTS**
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Equipped for Investigation, Adjustments,
Trials and Settlement of all Claims.

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650 South Spring Street
Los Angeles, California
Former General Counsel Union Automobile
Insurance Company.
Trial of all Insurance Cases in State and
Federal Courts.

HERBERT W. KIDD
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Equipped Investigations, Adjustments.
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555 So. Flower Street
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910-742 S. Hill Street
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Specializing in Trial Work. Claims referred
to competent adjusters. Member of Chicago
Bar from 1912 to 1929.

**WILLIAMSON, RAMSAY &
HOGE**
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Dunn, White & Aiken
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929 Bank of America Building
San Diego, California
Fidelity & Cas. Co. of N. Y., Ocean Acc. & Guar.
Co., Trial of All Insurance Cases in State and
Federal Courts.
Equipped for investigation and adjustments in
surrounding territory.

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INGALLS & LAMB**
Financial Center Building—San Francisco
Partial Representation: Continental Cas. Co., Fide-
lity & Cas. Co., Globe Ind. Co., Great Amer. Ind.
Co., London Guarantee & A. Co., Medical Prot. Co.,
New Amsterdam Cas. Co., Phoenix Ind. Co., Royal
Ind. Co. and various Life, Fire and Health and
Accident Companies.

KEYES & ERSKINE
Herbert W. Erskine William A. White
Morse Erskine J. Benton Tulley
625 Market Street
San Francisco, California
General Counsel Pacific National Fire Ins.
Co. Trial of insurance cases in State and
Federal courts.

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JOHN J. TAHENY
Hobart Building
San Francisco, California
Representing Associated Indemnity Corp.,
General Reinsurance Corp., and others.
Former vice-president and general counsel of Asso-
ciated Indemnity Corp., and Associated Fire &
Marine Ins. Co., San Francisco.

REA, FREE & JACKA
804 Commercial Building
San Jose, California
Representing Fidelity & Cas. of N. Y.
London & Lancashire
Trial of all insurance cases in state and federal
courts in this district. Equipped for in-
vestigations, adjustments and settlement of
all claims.

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LEE, SHAW & McCREERY
1217 First National Bank Bldg.
Denver, Colorado
Company references given on request.
Equipped for investigations, adjustments and settle-
ments of all claims. Trial all insurance cases in
State and Federal Courts.

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**POND, MORGAN AND
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39 Church Street
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United States Fidelity & Guaranty
Fidelity & Casualty
General Accident and many others.

DELAWARE

**MARVEL, MORFORD, WARD
& LOGAN**
Delaware Trust Building
Wilmington, Delaware
Specializing in Insurance and Corporation
matters.

DIST. OF COLUMBIA

HUGH M. FRAMPTON
327 Southern Building
Washington, D. C.
Manufacturers Casualty Ins. Co.
Equipped for investigations, adjustments, settlement
of claims, fire, casualty, automobile, surety—trial of
all insurance cases, Maryland, District of Columbia
and Federal Courts.

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& MOISE**
1219 Citizens & Southern Natl. Bank Bldg.
Atlanta, Georgia
Equipped for investigations, adjustments, set-
tlement of claims, trial of all insurance cases
State and Federal courts, Western Georgia.

**BRYAN, MIDDLEBROOKS
& CARTER**
LAW OFFICES
Suite 924
Citizens & Southern National Bank Building
Equipped for investigations, adjustments, settlement
of claims, and trial of all insurance cases in Georgia.

Hitch, Denmark & Lovett
17 Drayton Street
Savannah, Georgia
Representing American Surety Co. of N. Y., New
York Cas. Co., Continental Cas. Co., National Surety
Corp., and numerous others.
Equipped for investigations, adjustments, settlement
of claims, and trial of all insurance cases in State
and Federal Courts in Southern District of Georgia.

IDAHO

MARTIN & MARTIN
504-509 Idaho Building
Boise, Idaho
Fireman's Fund Insurance Company; Loyalty Group;
Ohio Casualty Insurance Company and others.
Equipped for investigation, adjustments and settle-
ment of all claims. Trial of all cases in State and
Federal Courts in Southern Idaho.

OTTO E. McCUTCHEON
208 Salisbury Building
Idaho Falls, Idaho
Standard Accident of Detroit, Fidelity & Deposit
and others.
Investigations, adjustments, and trial of all insur-
ance cases in State and Federal Courts—Northeastern
Idaho.

JONES, POMEROY & JONES
Central Building
Pocatello, Idaho
Loyalty Group, Central Surety & Insurance, Kansas
City, and General Group, Seattle.
Equipped for investigations and trial of all insur-
ance cases, State and Federal Courts, Southeastern
Idaho.

CHAPMAN & CHAPMAN
Burkholder Building
Twin Falls, Idaho
General Group of Seattle, Hartford Accident &
Indemnity and others on request.
Equipped for investigations and trial work in State
and Federal courts in south central Idaho.

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Silber, Clausen, Hirsh & Woley
Attorney & Counselors
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Special Attention to the Law of
Fire Insurance and Taxation

LORD, LLOYD & BISSELL
Rm. 2460—135 South La Salle Street
Chicago, Illinois
Insurance defense—Casualty, Surety, Life &
Fire Lines.

CLARENCE W. HEYL
8th Floor Central National Bank Bldg.
Peoria, Illinois
Trial of Insurance cases: representing
MARYLAND, FIDELITY & CASUALTY
ROYAL, GLOBE, EAGLE, BANKERS
INDEMNITY AND OTHERS.

JOHN M. MITCHEM
101 South Broadway
Urbana, Illinois
OHIO CASUALTY
Equipped for investigation and adjustment of
claims.

INDIANA

HENRY & FUNK
Investigations—Adjustments—Trial Work
References on Request
501-7—130 E. WASHINGTON BLDG.
INDIANAPOLIS

Slaymaker, Merrell & Locke
Attorneys specializing in All Phases of
Fire, Marine, Life & Casualty
Insurance Litigation
751-760 Consolidated Building
INDIANAPOLIS

INSURANCE ATTORNEYS

• The insurance law firms whose professional cards are shown on this and the succeeding pages have been selected after careful investigation. They have the recommendation and endorsement of The National Underwriter.

IOWA

DEACON, SARGENT & SPANGLER

915 Merchants Bank Building
Cedar Rapids, Iowa

Equipped for Investigations, Adjustments and Trial of All Insurance Cases

BRADSHAW, FOWLER, PROCTOR & FAIRGRAVE

Suite 510 Crocker Building
Des Moines, Iowa

Representing Continental Casualty—Loyalty Group—Hartford Accident and many others. Equipped for investigations and adjustments of Insurance Claims.

PRICE, RIDER & KEEFE

State Bank Building
Fort Dodge, Iowa

Continental, General Accident, Western Automobile, and fourteen others. Equipped for investigations.

BREESE & CORNWELL

First National Bank Building
Mason City, Iowa

Equipped for Investigations—Northern Iowa

A. R. STRONG

623 Davidson Building
Sioux City, Iowa

Equipped for investigations, settlement of claims, all insurance cases in State and Federal Courts.

KANSAS

TINCHER, RALEIGH & CUSHENBERY

301-302 First National Bank Building
Hutchinson, Kansas

Insurance Companies represented: National Union Indemnity Co., Ocean Accident and Indemnity Co., Columbia Casualty Co., Metropolitan Casualty Ins. Co. (Loyalty Group), Commercial Casualty Co. Investigations, Adjustment and defense trial work.

KELLER, MALCOLM & BURNETT

204-206 National Bank Building
Pittsburg, Kansas

Counsel for: Aetna Group, Employers Group, Standard Accident, Central Surety, United States Fire, Fireman's Fund and others. Specializing in Insurance Law. Equipped for Trial of Cases, Investigations and Adjustments over Southwestern Kansas.

NORRIS, SMITH & JENKINS

Public Utility Bldg.
Salina, Kansas

Insurance Companies represented: Fidelity & Casualty, Fidelity & Deposit, Loyalty Group, American Surety, Hardware Mutual and many others. Equipped for investigations, adjustments and trial of cases in Northwest Kansas.

Doran, Kline, Colmery, Cosgrove
903 National Bank of Topeka Bldg.
Topeka, Kansas
Equipped for investigation, adjustment, settlement and trial of Insurance business of all kinds in Kansas.

BLOOD & PROSSER

402 Schweiler Building
Wichita, Kansas

General Counsel Santa Fe Trail System, Traders & General American Fidelity and others. Investigations, adjustment of claims, and trial work Southern and Southwestern Kansas.

KENTUCKY

Davis, Boehl, Viser and Marcus

(Blakey, Davis and Lewis)

Kentucky Home Life Building
Louisville, Kentucky

Investigations, Adjustments and Trial of all Insurance Cases.

Woodward, Dawson & Hobson

Insurance Attorneys

615-24 Inter-Southern Bldg.
Louisville, Kentucky

LOUISIANA

COBB & JONES

840 Canal Bank Building
New Orleans, La.

General Counsel for Pan-American Petroleum & Transport Company and Penick & Ford, Inc., in southern states. Specializing in casualty and surety. Trial of all cases in State and Federal courts.

MARYLAND

WALTER L. CLARK

Roszel C. Thomsen
Clater W. Smith

Baltimore Trust Building
BALTIMORE - MARYLAND

MASSACHUSETTS

CRYAN, SHAW AND BRADLEY

33 Broad Street
Boston, Massachusetts

Counsel for numerous insurance companies. Names given on request. Equipped for investigation, adjustment and trial of all insurance cases in State and Federal Courts.

MILTON J. DONOVAN

31 Elm Street

Springfield, Massachusetts
Fire Companies Adjustment Bureau, Inc.

Trial of all insurance cases including casualty, fire and surety in State and Federal Courts.

MICHIGAN

SEABORG & RICE

Attorneys and Counselors

827 Penobscot Building
Detroit, Michigan

Randolph 5160

PAUL H. SCHULZ

Michigan Theatre Building
Detroit, Michigan

Trial of cases, Investigations and adjustment of claims. Technologist Service.

EARL P. TROBERT

405-6 Dryden Building
Flint, Michigan

Phoenix Indemnity Company, Zurich-General Accident & Liability Insurance Company, Western Adjustment & Inspection Company and others.

NORRIS, McPHERSON, HARRINGTON & WAER

1107 Peoples Bank Building
Grand Rapids, Michigan

MICHIGAN (Cont.)

ROSENBERG & PAINTER

801-4 Reynolds Bldg.

Jackson, Michigan

Represent: Zurich, London & Lancashire, Western & Southern, Provident Life & Accident, Michigan Mutual, Ohio Casualty, Citizens Mutual and others. Investigations and adjustments in central and southern Michigan. Trial of all insurance cases.

FOSTER & CAMERON

709 American State Savings Bank Building
Lansing, Michigan

Aetna Group and Others
Trial of Cases, Investigation and Adjustments

NASH & NASH

602 Second National Bank Building
Saginaw, Michigan

Equipped for investigations, adjustments, settlement of claims and trial of insurance cases in Northeastern Michigan.

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BALDWIN, HOLMES, MAYALL & REAVILL

900 Alworth Building
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Travelers' Group, Mass. Bonding & Insurance Co., Pacific Mutual Life Insurance Co.

GUESMER, CARSON & MacGREGOR

1218-1232 Roanoke Building

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SEXTON, MORDAUNT, KENNEDY & CARROLL

Trial of insurance cases in Federal and State Courts in Minnesota.

Investigations, adjustments, and settlement of claims.
Pioneer Building Security Bldg.
St. Paul, Minn. Minneapolis, Minn.

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WELLS, WELLS AND LIPSCOMB

9th Floor Lamar Life Building
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Representing Hartford Acc. & Ind. Co., Fireman's Fund Ind. Co., Continental Cas. Co., Markel Service, Inc., Loyalty Group and many others on request. Equipped for investigations, adjustments, and trials all over state.

WILBOURN—MILLER & WILBOURN

Citizens National Bank Bldg.
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Equipped for investigations, adjustments, settlement of claims, trial of all insurance cases in State and Federal Courts in Eastern Mississippi.

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M. J. LAMB

Billings, Montana

Massachusetts Bonding and Insurance Co. Trinity Universal Insurance Co. Aetna Casualty & Surety Co.

Fully equipped to handle investigations, and trial work in state and federal courts.

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American Surety Company; New York Casualty Company; Sun Indemnity Company. Equipped for investigations, adjustments, trial of all insurance cases in Butte, Helena and western Montana.

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414 Strain Building
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Company representation upon request. Equipped for investigations, adjustments and trial of insurance actions in State and Federal Courts, in North & Northwestern Montana.

MERLE C. GROENE

Lewistown, Montana

Standard Accident Company of Detroit, All-State Insurance Company, Chicago. Others on request.

NEBRASKA

MAYER & MAYER

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Massachusetts Bonding & Insurance Company—others on request. Equipped for investigations, adjustments, settlement of claims, trial of all insurance cases in State and Federal Courts in Central Nebraska.

STEWART, STEWART & WHITWORTH

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Trial of insurance cases in Federal and State Courts in Nebraska. Investigations, adjustments and settlement of claims.

ROSEWATER, MECHAM, SHACKELFORD & STOEHR

1028-40 City National Bank Building
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Representing 35 Insurance Companies—Kemper Group—Loyalty Group—Sun—Home—Liberty of Boston—American Surety—Security of Chicago—Employers of Wausau—Associated Ind. and others. Complete trial and claim service over Nebraska and Western Iowa.

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1st National Bank Building

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Representing American Surety, Standard Accident and several other companies. Equipped to handle adjustments, investigations, settlement of claims all over Nevada.

NEW MEXICO

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1st National Bank Building
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State counsel for various life, casualty and fire insurance companies. Trial of cases in all courts of New Mexico, State and Federal. Insurance client references given on request. Adequately equipped for adjustments and investigations.

WILSON & WATSON

Sena Plaza
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Members of Firm: Francis C. Wilson John C. Watson John T. Watson

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GEORGE J. HATT, II

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Equipped for investigations, adjustments, settlement of claims and trial of all insurance cases in State and Federal courts.

LEE, LEVENE & McAVOY

TRIAL LAWYERS
310 Security Mutual Bldg.
BINGHAMTON, NEW YORK

Insurance attorneys. Especially equipped to handle investigations, adjustments and litigation over central New York.

INSURANCE ATTORNEYS

• The insurance law firms whose professional cards are shown on this and the succeeding pages have been selected after careful investigation. They have the recommendation and endorsement of The National Underwriter.

NEW YORK (Cont.)

WILCOX & VAN ALLEN

1006 Liberty Bank Building
Buffalo, New York

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New Amsterdam Casualty Co.
United States Casualty Co.
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National Surety Corp.—American Surety Co.
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Royal—Eagle—Century
Equipped for investigations, adjustments, settlements and trial of all insurance cases—State and Federal Courts.

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Equipped for adjustments. Trial of insurance cases in State and Federal Courts.

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2295-8 Carew Tower
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Automobile Mutual Insurance Co. of America, Providence, R. I.; Mercer Casualty Co., Celina, Ohio; Lloyd's of Minneapolis; Builders & Manufacturers Mutual Casualty Co.; Employers of Wausau and others on request.

JOHN H. McNEAL

and
HARLEY J. McNEAL
562 Auditorium Bldg., 1367 E. 8th St.
Phone Main 1928 CLEVELAND
Attorneys-at-Law
Facilities for Investigations, Adjustments and Trial work over Northern Ohio.

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814 Outlook Building
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Representing Standard Accident, Massachusetts Bonding and others.
Investigations, adjustments, trial of all insurance cases.

Charles T. Warner

35 East Gay St., Columbus, Ohio
(Former Judge of Common Pleas Court and Superintendent of Insurance of Ohio from 1931 to 1935).
General Insurance Practice in All Courts and Insurance Department
Investigation and Adjustment of Claims
General Insurance Matters

CABLE & CABLE

Masonic Building
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Trial of all insurance cases in Federal and State Courts. Equipped for investigations.

YAGER, BEBOUT & STECHER

303 Second National Bank Building
Toledo, Ohio
American Surety Company, Phoenix Insurance Company of Hartford, Conn., and Massachusetts Bonding & Insurance Company.

RUSSELL RAMSEY

801 Feick Building
Sandusky, Ohio
Equipped for investigations, adjustments, and settlements of claims.
Trial of all insurance cases.
Bank reference: Western Security Bank (Counsel).

L. M. CAILOR AND J. B. CUNNINGHAM

600-603 Union National Bank Building
Youngstown, Ohio
Equipped for investigations, adjusting, trial of all insurance cases in State and Federal Courts.

OKLAHOMA

Embry, Johnson, Crowe & Tolbert

First National Building
Oklahoma City, Oklahoma
Equipped for investigation, adjustments, trial of all insurance cases in the State of Oklahoma.

V. E. McINNIS & JAMES H. ROSS

Ramsey Tower
Oklahoma City, Okla.
Representing Astor Cas. & Sur. Co., Astor Life, Prudential Ins. Co. of Amer., Car & General, Employers Reinsurance Co., Pacific Indemnity Co., and others.
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Trial of all insurance cases in State and Federal Courts.

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504-508 Braniff Building
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Equipped for investigations, trial of Insurance cases. All State courts.

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G. M. ROBERTS

WM. M. McALLISTER
Medford National Bank Building
Medford, Oregon
Travelers, Indemnity Ins. Co. of North America, American Motorists Ins. Co., Pacific Indemnity Co., General Accident F. & L. Assur. Corp., Ltd.
Investigations, adjustments and trial of all insurance claims in southern Oregon and Siskiyou and Del Norte Counties, Cal.

Collier, Collier & Bernard

Suite 1220 Spalding Building
Henry E. Collier John A. Collier
E. F. Bernard
Portland, Oregon

DEY, HAMPSON & NELSON

300 Pacific Building
Portland, Oregon
Continental Cas. Co., American Motorist, Pacific Greyhound Lines and others.

SHEPPARD & PHILLIPS

1208 Public Service Bldg.
Portland, Oregon
U. S. F. & G., Lloyds of London, others on request. Investigations & Adjustments.

PENNSYLVANIA

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1513 Berger Building
PITTSBURGH, PA.
Phone Court 2285
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Facilities for Investigations, Adjustments and Trial Work over Western Pennsylvania. Clients given on request.

RHODE ISLAND

SHERWOOD & CLIFFORD

1503 Turks Head Building
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Trials—Investigations—Adjustments

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THOMAS-LUMPKIN & CAIN

1000-7 Central Union Building
Columbia, South Carolina
Specializing in Fire, Casualty, Surety and Life. Trial of all cases.
Equipped for investigations and adjustments all over South Carolina.

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BAILEY & VOORHEES

Charles O. Bailey (1860-1928)
John H. Voorhees Melvin T. Woods, Jr.
Theodore M. Bailey Roswell Bottum
Howell L. Fuller
BAILEY-GLIDDEN BUILDING
SIOUX FALLS
INSURANCE PRACTICE

TENNESSEE

AUST, McGUGIN & SPEARS

American Trust Building
Nashville, Tennessee
Representing Firemen's Fund, Lumbermans, American Motorist, and many others.
Equipped for investigations, adjustments, trial of all insurance cases in State and Federal courts in Central Tennessee.

TEXAS

WAGSTAFF, HARWELL WAGSTAFF & DOUTHIT

Attorneys at Law
Abilene, Texas
Equipped to handle adjustments, investigations, settlement of claims and trial of all insurance cases.

HART, PATTERSON AND HART

824-830 Littlefield Building
Austin, Texas
Representing F. & D., Baltimore, Zurich Ins. Co., Home Ins. Co. of N. Y., American National Ins. Co., and others on request.
Equipped for adjustments in Central Texas and trial work in all courts—State and Federal.

KING & RIENSTRA

286 Gilberts Building
Beaumont, Texas
Representing Employers Group, Boston, others on request.
Trial of all insurance cases State and Federal Courts Eastern District of Texas.
Equipped for investigations.

HUBBARD, DYER & SORRELL

City National Bank Building
Corpus Christi, Texas
References: Maryland Casualty Company, American Fidelity & Casualty Company, Traders & General Insurance Company.
Specializing in Insurance Law
Equipped for investigation and claims

COKE & COKE

First National Bank Building
Dallas, Texas
Henry C. Coke
1856-1935
Alexander S. Coke Henry C. Coke, Jr.
Boomer J. Coke Julian B. Martin
Richard W. Coke John N. Jackson

SANER, SANER & JACK

Twentieth Floor Republic Bank Bldg.
R. E. L. Saner
Jno. C. Saner
Wm. H. Jack, Jr.
DALLAS, TEXAS

R. A. D. MORTON

555 FIRST NATIONAL BANK BUILDING
EL PASO, TEXAS
REPRESENTING: Metropolitan Life Ins. Co. in West Texas.
Royal Indemnity Company.
Indemnity Ins. Co. of North America, and others.
SPECIALIZE:
In Trial Work, all Courts.
Adequately equipped for adjustments, investigations in Southwest Texas and Southeast N. Mex.

Cantey, Hanger & McMahon

15th Floor Sinclair Building
FORT WORTH, TEXAS
Samuel B. Cantey Samuel B. Cantey, Jr.
(1882-1924) Alfred McKnight
William A. Hanger Willis A. Johnson
Mark Mahon B. K. Hanger
W. D. Smith
Investigations, Adjustments, Trial All Cases

COLE, COLE, PATTERSON & BELL

Citizens State Bank Building
Houston, Texas
Galveston, Texas
Standard Accident Insurance Company of Detroit, Chicago Lloyd's.
United States Casualty Co. of New York City, etc.
Equipped for investigation, adjustment, trial of all insurance cases and oil cases.

(Continued next page)

INSURANCE ATTORNEYS

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TEXAS (Cont.)

BOYLES & ATKINSON
First National Bank Building
Houston, Texas
Edward S. Boyles
Norman Atkinson
M. R. McCremmon
E. F. Gibbons
Willard L. Russell

SIMMONS & ARNOLD
224-23 First National Bank Building
Houston, Texas

New Amsterdam Cas. Co., Allemania Fire of Pittsburgh, Overseas-Dargan, American Central Fire, St. Paul Fire & Marine.

BLED SOE, CRENSHAW & DUPREE
First National Bank Building
Lubbock, Texas

Representing U. S. F. & G., F. & D., Maryland Casualty, American National Ins. Co., Amicable Life Ins. Co., and many others. Trial of all insurance cases in all courts. Equipped for investigations—Adjustments—Settlement of claims in plains country.

BIRKHEAD, BECKMANN, STANARD & VANCE
800-811 Gunter Building
San Antonio, Texas

JOHN McGLASSON
608-9 Amicable Building
Waco, Texas

Equipped for investigations, adjustment and settlement of claims and trial of cases in State and Federal Courts.

T. R. (DAN) BOONE
City National Bank Building
Wichita Falls, Texas

Representing: Home of New York—Loyalty Group—Hartford Accident—Many others.

UTAH

Stewart, Stewart & Carter
1105 Continental Bank Building
Salt Lake City, Utah

Equipped for investigations, adjustments, settlements of claims and trial of all insurance cases State of Utah.

VIRGINIA

W. SHEPHERD DREWRY
241-244 Law Building
Norfolk, Virginia

Indemnity Insurance Co. of N. A., United States Fidelity and Guaranty, Bankers Indemnity Co., Fire Association of Phila., American Indemnity Co., All State Insurance Co. Equipped for investigations, adjustments and trial of all insurance matters in State and Federal Courts.

THOS. O. MOSS
State-Planters Bank Bldg.
RICHMOND, VIRGINIA

Loyalty Group, American Fidelity & Casualty, Royal, Globe Indemnity and others. Equipped for investigation, adjustments and trial work.

T. RUSSELL CATHER
34 Rouse Ave.
Winchester, Virginia

New York Life, Maryland Casualty, American Surety Co. Equipped for investigations, trial of all cases, State and Federal Courts and Commissions.

WASHINGTON

ALLEN, FROUDE & HILEN
Northern Life Tower
Seattle, Washington
U. S. F. & G., Northwestern Mutual Life Ins. Co. Others on request.

EGGERMAN & ROSLING
1824 Exchange Bldg.
Seattle, Wash.

United States Fid. & Guar. Co., Maryland Casualty Co., and others. Trial of all insurance cases in State and Federal Courts in western Washington.

N. A. PEARSON
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cause of unpaid balances, Deputy Commissioner Beckett has issued a warning regarding the practice. An agent should not exceed the authority received from his principal, Mr. Beckett said. Insurance companies require agents to sell policies and forward to the head office copies of policies with detailed monthly accounts of premiums written and remittances for the amounts due. Rarely does an agent collect the premium when the policy is delivered. It should be collected before expiration of the limit of credit allowed by law and promptly remitted to the company. Insurance rates are predicated upon the theory premiums will be paid within a certain time after policies have been written. "To extend credit beyond a reasonable period easily might grow into a vicious practice and develop demoralizing results," Mr. Beckett said. "Such results could, and most likely would, in some cases impair the financial structure of insurance companies."

Supervisory Committee Will Meet in Annual Session

The Rocky Mountain supervisory committee that works in conjunction with the Rocky Mountain Fire Underwriters Association will meet in Denver Oct. 7. W. N. Achenbach, Aetna Fire at Chicago, is chairman, the other members of the Western Underwriters Association committee being E. A. Henne, America Fore; A. F. Powrie, Fire Association; Wilfred Kurth, Home of New York.

The Pacific Board members are Willard Weyman, National of Hartford; A. T. Bailey, North British & Mercantile, and E. T. Cairns, Fireman's Fund. These men and H. A. Clark, western manager of the Firemen's, constitute the managing committee for the Mountain States Inspection Bureau and that committee will meet in Denver at the same time.

W. D. Williams, western manager of the Security of New Haven, who has served on the supervisory committee for some time, declined reappointment and Mr. Kurth was appointed in his stead. It was decided to have a rotation scheme so that each member will serve four years, allowing one member's term to expire each year.

Oregon Executive Committee

PORTLAND, ORE., Sept. 23.—George W. Haerle, chairman executive committee of Oregon State Agents Association, has appointed as members of the committee Carl G. Becke, Salem; S. G. Boquist, Portland; Ward H. Coble, Lumberman's, Bend; S. G. Jewett, Portland; Crosby Owens, Eugene; H. C. Pownall, Portland; R. W. Schmeer, Portland, and Earl F. Tunny, Medford.

Opens Adjusting Office

C. W. Walls has opened new offices in the Lumbermen's building, Portland, Ore., as an independent fire insurance adjuster. For a number of years he was in charge of Oregon for the General of Seattle.

Krueger Opens His Own Office

After three years with the Fire Companies Adjustment Bureau as manager of its Albuquerque, N. M., office, Charles W. Krueger is leaving to resume independent work, taking offices at 213 South Third street, Albuquerque. He was formerly an independent adjuster at Denver. He established his first office in Denver in 1921. In 1927 he joined forces with the late Charles F. Wilson as the Wilson-Krueger Adjustment Company covering Colorado, Wyoming and New Mexico. In 1930, after Mr.

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Wilson became connected with the Southwestern Adjustment Company, Mr. Krueger again established his own office in Denver, serving until July, 1933, when he went to Albuquerque as bureau branch manager.

Heads Prevention Group

SALT LAKE CITY, Sept. 23.—J. Eastman Hatch, head of the Eastman Hatch Company, general agent, has been named chairman of the safety and fire prevention committee of the Salt Lake Chamber of Commerce.

Expect Repeal of Fund

BUTTE, MONT., Sept. 23.—It is predicted by insurance men that Montana citizens will vote out of existence the state fire fund Nov. 3. It is referendum measure No. 37.

Plan Oregon Fire Mutual

PORTLAND, ORE., Sept. 23.—The Oregon Independent Gasoline Retailers Association is making plans to form a fire insurance mutual. A drive will be under way shortly for 300 shareholders, as required by the Oregon law.

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before charter to operate can be issued.

Backers of the movement state the plan is the result of numerous complaints from members that out-of-town service stations are obliged to pay insurance rates that are prohibitive, with \$45 per \$1,000 of insurance being a common quotation. Oregon is now reported to have between 3,000 and 4,000 gasoline stations.

Adopt New Cotton Form

DENVER, Sept. 23.—The Mountain Field Club has adopted the form No. 16A of the Southwestern Underwriter's Association, replacing what was essentially the old "Texas" form for report-

ing cotton. The advantage of the new form is that it gives a more definite method of premium calculation. A minimum premium of \$50 was established, there having been no previous minimum.

Ralph Giesy's Change

Ralph Giesy has resigned as Oregon special agent for Cravens, Dargan & Fox, San Francisco general agents, and has taken over the same territory for Swett & Crawford of San Francisco, succeeding A. Taggard, who recently became special agent for the Glens Falls.

James Ewart, Roseburg, Ore., agent, passed away after a brief illness.

EASTERN STATES ACTIVITIES

Osgood New Board Manager

Assistant Succeeds Winkley, Resigned, as Head of Boston Underwriters Organization

BOSTON, Sept. 23.—Isaac Osgood, assistant manager Boston Board for ten years, has been appointed manager as of Oct. 1 to succeed W. H. Winkley, resigned. Mr. Osgood was graduated from Massachusetts Institute of Technology in 1900 and took his master's degree a year later, entering insurance work with the Underwriters Bureau of New England in 1907. In 1913 he joined the Boston Board as engineer and in 1926 was made assistant engineer. He is a director of the Massachusetts Safety Council and has served on committees of the National Fire Protection Association, as well as electrical and fire committees of the Underwriters Laboratories.

Mr. Winkley had been manager of

the board for 15 years. He was graduated from the Massachusetts Institute of Technology and went with the Hartford Fire as special agent in four northern New England states. He joined the North America as special agent for eastern Massachusetts and Rhode Island in 1907 and became manager of the Boston Board in 1921, resigning at that time as president of the New England Insurance Exchange.

Form Maryland Association

New State Body Organized at Baltimore Meet; W. O. Wilson and K. H. Bair on Program

BALTIMORE, Sept. 23.—Maryland has now a state local agents' association, increasing to 47 the number of such organizations affiliated with the National association. The Maryland Association was formed at a gathering of approximately 100 local agents here, the following being elected officers: President, E. Churchill Murray, Annapolis; chairman executive committee, P. D. Bowen, Baltimore; national councillor, J. G. Rolker, Baltimore; regional vice-presidents, A. W. Hall, Salisbury; H. P. Burdette, Mount Airy and Richard Williams, Baltimore.

The constitution and by laws of the association, patterned closely after that of the national organization, provides for an executive committee to include the two officers and 7 members to be appointed by the chairman with approval of the president. The gathering was addressed by W. Owen Wilson, chairman executive committee of the National association, and by President K. H. Bair, both of whom outlined the activities of the national body and the advantages accruing to members thereof.

Comment of K. H. Bair

Commenting upon the meeting at its conclusion, Mr. Bair said: "Not only the number present, but the eagerness and enthusiasm with which they entered into the organization impresses me as an indication that the Maryland association will prosper, and will become one of the strong units of the National association. It was one of the announced ambitions of Chairman Wilson and myself, at the beginning of our administration, to assist in bringing about the organization of a state association in Maryland. As pointed out to those at the meeting, ultimate success will depend on the Maryland members themselves, but I assured them that they are received into the National association with the full support of the parent organization behind them."

Joseph on Pennsylvania Program

Deputy Commissioner E. S. Joseph of Pennsylvania will talk on "Insurance at the Cross Roads" at the annual meeting of the Pennsylvania Association of Insurance Agents at Pittsburgh, Sept. 28. Mr. Joseph will discuss steps being taken by the insurance department regarding competitive conditions. The

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Pennsylvania association reports membership increase of 22 per cent and improved financial conditions. The meeting will immediately precede the annual convention of the National Association of Insurance Agents in Pittsburgh.

Maine Local Agents Meeting

At the annual meeting of the Maine Association of Insurance Agents at the Augusta House, Augusta, Me., Oct. 21, F. L. Greeno of Rochester, N. Y., former president of the New York association, will represent the national body. Howard Starling, executive special agent Association of Casualty & Surety Agents, New York City, and Insurance Commissioner W. D. Spencer will be speakers.

New England 1937 Meeting

At the meeting of the New England advisory board it was decided to hold the 1937 convention of the New England Associations of Insurance Agents at Mount Washington, Bretton Woods, N. H. The date will be decided later.

Square Club's Outing

The annual outing of the Insurance Square Club of New Jersey was held at Elizabeth, N. J. Sports and a dinner featured the gathering. At a brief business meeting a nominating committee was appointed to report at the annual meeting.

Eastern Notes

Leslie Blau, Inc., Newark agency, has opened a branch office in East Orange, N. J.

Samuel V. Heide, Passaic, N. J., local agent, has been appointed to the Passaic Valley Commission.

Two New Jersey agencies have been incorporated: Ossi-Palatini, East Paterson, by James Ossi, Floyd Palatini and Mary Judlowe, and Joseph G. Stanton, Orange, by J. G. Stanton, M. C. Stanton and Harry Amsterdam.

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Candidate



EZRA M. SPARLIN, Rochester, N. Y.

Ezra M. Sparlin of Rochester, N. Y., who for many years was chairman of the membership committee of the National Association of Insurance Agents, has been nominated as candidate for Congress from his district on the Townsend ticket. He was formerly in the New York state legislature.

Mr. Sparlin was approved unanimously by the Association of Townsend Clubs in his district. He figures that the Townsends have about 25,000 votes in that district.

CANADIAN

Returns on Agents' Overdue Balances Show Decreases

OTTAWA, CAN., Sept. 23.—In Ontario the quarterly returns of agents' balances as of June 30 filed by 353 companies showed an overdue balance of \$184,683, a decrease of \$10,396 from that of March 31. Balances reported by general agents totalled \$18,944, a decrease of \$2,133. The number of agents reported as of June 30 was 845, compared with 783 March 31.

Various suggestions have been made for an amendment to the act calling for quarterly returns, including reduction of the time limit of payment from 90 days to 60 days, the separation of old and new accounts, and the question of funded debts.

In British Columbia, 182 companies filed returns. The aggregate amount of balances overdue to the companies June 30 was \$38,039, a decrease of \$24,943 from March 31. Quebec showed an aggregate amount of balances overdue June 30 of \$252,170, a decrease from March 31 of \$7,706. Quarterly returns for Manitoba as of June 30 report the aggregate amount of balances at \$94,537, a decrease of \$2,789 from March 31, while Alberta shows the aggregate as of June 30 to be \$69,515, an increase of \$12,984 from the period ending Dec. 31.

Take Over the Business

It was announced recently that following the retirement of the National Surety from active operations in Canada, the Liverpool & London & Globe is underwriting its Canadian business as from July 1. The well-known firm of Reed, Shaw & McNaught, of Toronto who have held the Toronto chief agency of the Liverpool's fire department for 58 years and for the past 25 years represented the National Surety have been appointed Ontario provincial general agents of the guar-

antee and burglary departments of the Liverpool & London & Globe. Henry M. DeVries, partner in the firm of Reed, Shaw & McNaught and widely known to the insurance fraternity as a guarantee and burglary underwriter will continue to manage these departments in the Reed, Shaw & McNaught organization.

The Canadian fraud business of the National Surety has been taken over by the Canadian Indemnity.

Ask for Investment Data

OTTAWA, CAN., Sept. 23.—The Canadian insurance department is asking companies to furnish it with lists of all stocks, bonds and debentures acquired between Dec. 31, 1935, and Sept. 18, for its work in determining valuation of securities. Additional purchases of securities must be reported weekly until the close of the year. Dec. 1 is set as the deadline for reports.

Appeal to Dominion

Insurance companies have appealed to the Canadian dominion government to intervene in Alberta's debt legislation, reducing the interest on the provinces bonds. The federal government has the power to disallow provincial legislation if it conflicts with the national interest or for other good reasons.

Accident Men from Home Office

J. B. Weldon and T. T. Morris, joint accident managers of the British office of the Royal-Liverpool group, have been on a visit to the Canadian head office in Montreal.

Churchill-Smith Returns

H. Churchill-Smith, assistant Canadian manager of the Royal-Liverpool group, has returned to Montreal after a visit to England.

Blue Goose Field Day

About 300 attended the annual field day of the Quebec Blue Goose at Montreal.

Reciprocals in Canada

The Cannors Exchange and Warner Reciprocal Insurers have been licensed in Canada. W. E. Sommerville, Toronto, is Canadian chief agent.

Motor Insurance Events

W. U. A. Action Gets Support

Automobile Underwriters Gratiified by Its Stand on Commission Allowances on Collateral Lines

NEW YORK, Sept. 23.—Action by the Western Underwriters Association at its mid-year meeting at Hershey, Pa., in determining to place its moral support behind the rules and commission allowances of supervisory organizations of collateral lines, was gratifying to officials of automobile writing companies particularly, and if such support be wholeheartedly extended much of the irritation that has surrounded the writing of automobile business in the central west in recent years will be removed. Complaint has frequently been made by orthodox companies that their straight fire business has suffered through excess commission allowances upon the automobile line by companies members of the W. U. A., but outside the fold of the automobile and other related organizations.

Efforts to deal with the condition along the lines of that adopted in Eastern Underwriters Association territory some years ago, have been suggested from time to time in the western governing body, but without avail until the

Hershey meeting. The folly of permitting a company to strictly observe association rates, rules and commissions on one division of its business, and to free lance on any or all others, has been demonstrated again and again, resulting, as it invariably has, in penalizing honestly conducted institutions. The "all in or all out" slogan is again heard in underwriting circles and with increasing emphasis.

Texas Thefts Checked

DALLAS, Sept. 23.—There has been a drop of 30 percent in automobile theft rates this year in Texas, according to E. A. Gormley, manager of the National Automobile Theft Bureau. The Dallas theft rate is down 20 percent.

MARINE NEWS

MacLean to Atlantic Mutual

Former Western Adjustment Staff Man Becomes Marine Special Agent with Cincinnati Headquarters

Stuart O. MacLean will become marine special agent and adjuster for the Atlantic Mutual, with headquarters in Cincinnati, Oct. 1. He will have charge



STUART O. MACLEAN

of business development, agency and brokerage service and loss work throughout southern Ohio and southeastern Indiana. A service office will be opened at 1720 First National Bank building, Cincinnati.

Mr. MacLean has been staff adjuster with the Western Adjustment for the past eight years, specializing in inland marine losses for the past five years. Prior to that, he practiced law in Cincinnati. His marine adjusting duties have taken him over the territory which he will now cover and he has a large acquaintance among agents there. A native Cincinnati, he is a graduate of the University of Cincinnati and a member of the bar of Ohio.

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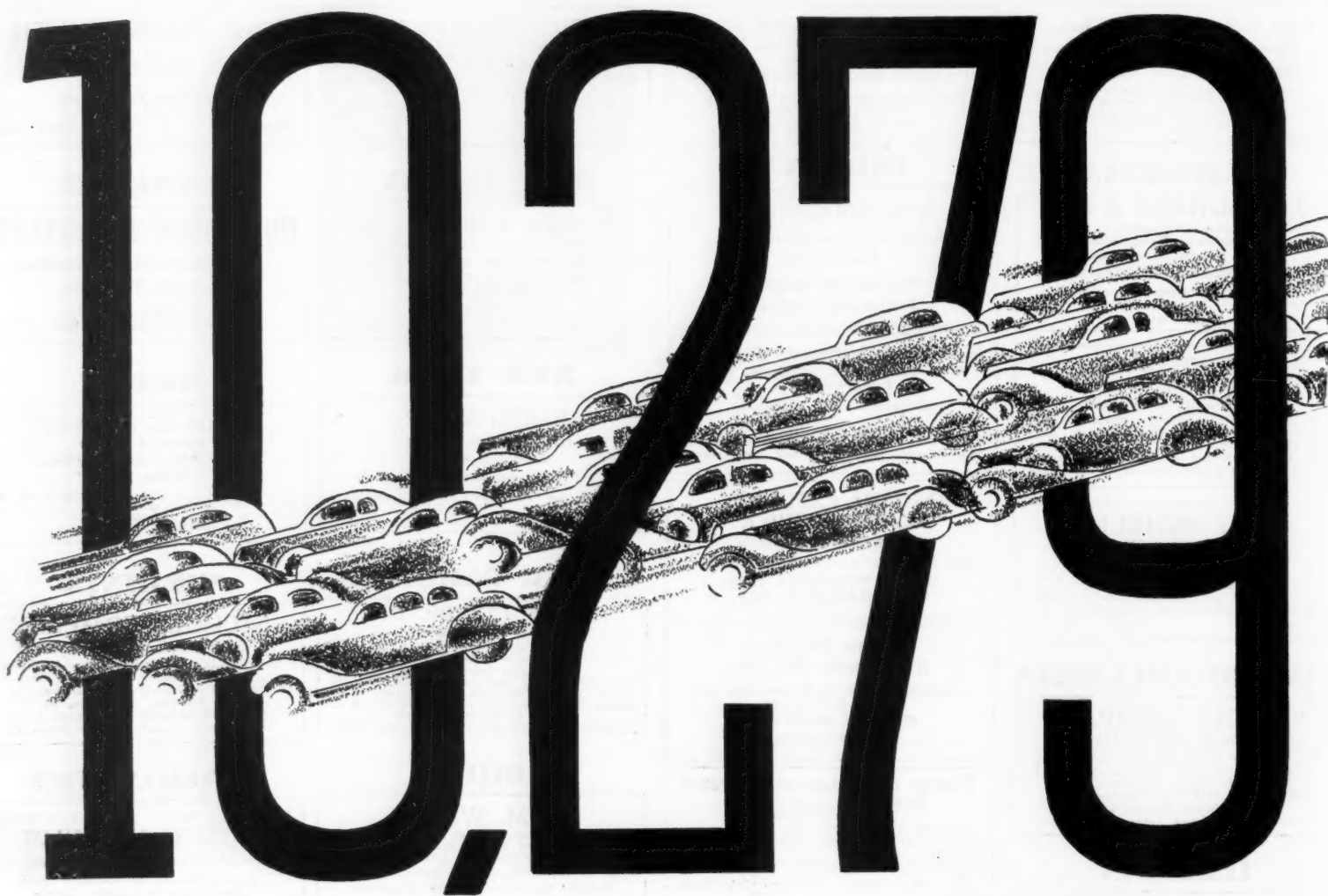
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The NATIONAL UNDERWRITER

September 24, 1936

CASUALTY AND SURETY SECTION

Page Thirty-one

Assigned Risk Pool Question Up

Companies Writing Occupational Disease Hazards in Illinois Hold Conference

SOME ARE STILL OUTSIDE

Chairman Angsten of Industrial Commission Asked National Council Representative to Answer Questions

Acceptance of the plan for assigned risks under the new Illinois occupational disease compensation act by several more companies was announced by Chairman Peter J. Angsten of the Illinois Industrial Commission at the second meeting of interested carriers in Chicago. Only 11 companies, writing only about \$900,000 of the \$16,500,000 annual Illinois compensation premiums, have not announced their acceptance.

Since the last meeting, Chairman Angsten announced that the Indemnity of North America, Commercial Standard, Car & General, American Surety, Manufacturers Casualty, General Indemnity, Builders & Manufacturers Mutual and Iowa Mutual Liability had accepted the plan.

Companies Not in Fold

The General Accident heads the list of non-joining companies. Others are the Utilities of St. Louis, Chicago Brick Exchange, Western Casualty & Surety, Associated Indemnity, Central Surety, Metropolitan Casualty, Commercial Casualty, Chicago Ice Producers Mutual Liability, Consolidated Underwriters and Equity Mutual.

G. V. Fuller, assistant secretary of the National Council on Compensation Insurance, answered questions of several representatives on the plan and stated that he will be glad to confer with any company not as yet in the fold and try to work out an equitable basis by which it may join.

Various Obstacles

It was emphasized that no company has definitely refused to join the assigned risks plan. Several representatives of non-subscribing companies stated that officials have withheld acceptance because they have not had an opportunity to study the plan in full, but expected that Mr. Fuller would ultimately secure their assent.

One difficulty has been experienced with the so-called class insurers, usually mutual or reciprocal, which write only members of certain trade organizations and which feared that acceptance of the plan would cause them to assume liability on assured which are outside the scope of their normal activities. G. E. Miller, secretary-manager, Chicago Brick Exchange, explained the position of his organization, which is typical of this group. Mr. Fuller assured him that the committee will not assign to any carrier a risk of a class not written

(CONTINUED ON PAGE 42)

DeCelles' Rate Reduction on Auto Cover Called Arbitrary

Commissioner DeCelles approved the 1937 rates for compulsory automobile liability insurance on the same basis as tentatively promulgated. The only exception was an increase in Worcester taxicab rates. The scale was protested by stock companies. The new schedule is 7 percent lower than the 1936 rate.

BOSTON, Sept. 23.—Commissioner DeCelles told for the first time at the statutory hearing on the compulsory automobile liability insurance rates for 1937, how he made up a tentative schedule for next year with a 7 percent general reduction in all rates, in face of constantly increasing claim loss experienced by companies.

First he took into consideration alleged padding of reserves by companies, some as high as 23 percent, with an average over-all padding of 10 percent for all companies; second, by resorting to an earlier method of using a five-year period for experience, without using the factor for the latest two year period, which has been done in the past few years; and thirdly, by reducing expense allowance for the companies.

Termed Actuarially Unsound

W. M. Magoun, manager Massachusetts Automobile Rating & Accident Prevention Bureau, which tabulates companies' experience for the commissioner, said the commissioner's methods and conclusions were actuarially unsound. Mr. Magoun, with records and specially prepared memoranda, gave testimony under oath on behalf of the companies, which were represented by Judge F. H. Chase.

In behalf of the commissioner, Vice-president H. W. Yont of the Liberty Mutual testified that the Liberty Mutual would be able to make a profit under the 1937 rate schedule and pay a 10 percent dividend. He did not support DeCelles, however, on the matter of padding of reserves, for he said he did not think any companies deliberately padded reserves and knew no company that had done so. DeCelles said he had heard company officials say they intended to pad reserves to meet the situation.

Company Counsel's Proposal

Judge Chase proposed a different classification of cars, using A, B and C classes, graded according to age of cars, which would make allowance for ancient and worn out cars, instead of the W, X and Y system now used for light and heavy cars. He also favored taking into consideration the last two years' experience, as formerly, to secure more nearly true experience.

He stated stock and mutual companies lost \$5,107,858 on the compulsory business in the past five years. If stock companies had written all the business, he said, the loss would have been \$8,257,725, and if the commissioner had allowed the statutory profit of 2.5 percent the total inadequacy would have been \$10,905,888.

Representatives of Worcester independent taxicab owners protested an in-

crease in their rate from \$400 to \$450 when their experience in the last year was better than ever before and when Springfield, with a comparable field, had a \$150 rate and even Boston, with its bad experience, had a rate of \$310.

Commissioner DeCelles admitted Worcester had a taxi loss claim cost of .537 last year and .97 the year before, but the preceding three years showed a claim cost of \$1.17; \$1.85 and \$9706, respectively. Including expense ratio, it cost the companies an average of \$1.40 to collect \$1 on taxicabs in the past five years in Worcester. The rate for 1937, on his own records, should be \$472.14 rather than \$450, DeCelles said.

A representative of Tewksbury objected to placing his town, with an excellent record for light farmers trucks, in a zone where all other towns were taxed for a much higher claim cost.

Thanks DeCelles for Cut

Secretary Herman Kaplan of the Chelsea chamber of commerce thanked Mr. DeCelles for marked reduction given his city, always the highest rated in the state.

Judge Chase presented a brief to DeCelles as the statement of stock companies. Commissioner DeCelles closed the hearing abruptly after distributing a statement.

"The rankest deception was practiced upon the public in the past by representing that the rates were on a five year level when actually most of them were on a two-year level," DeCelles said. This "deception" he laid at the companies' door.

He explained procedure in arriving at the reduced rate scale for 1937. Reserve figures of all companies operating in the state were audited, DeCelles claiming the padding was found. "Since the reserves represent 19 percent of the amounts upon which the commissioner

(CONTINUED ON PAGE 42)

Big Farewell Doings for Joe Futz in Eighty-Four

EIGHTY-FOUR, PA., Sept. 23.—A number of policyholders and admirers of Jos. Futz, active local insurance salesman, will assemble at his hospitable home Sunday evening to bid him farewell and good wishes as he leaves for Pittsburgh early next morning to attend the great convention of the National Association of Insurance Agents in which he will play a leading role. Some of the children took up a penny collection and bought a 10 cent diary which will be presented on their behalf by Little Zepher Hauck. Mr. Futz will outline some of the convention work in the sumptuous William Penn Hotel. Mr. Futz says, "I will confer with some of the giants of insurance, some getting \$10,000 a year or more. What I do or say or whatever glory comes to me, will simply reflect credit on our community. Eighty-Four will stand right up with Easton, Mauch Chunk and Shamokin." And Joe naively added: "Eighty-Four will be in the same zone as Philadelphia."

Scores Defeatist Stand on Non-Can

Needed Coverage, Safe Basis Should Be Sought, Albert Hirst Says

LIKES ASSESSMENT PLAN

Would Act As Safety Factor, Yet Not Hinder Sales, New York Lawyer Holds

NEW YORK, Sept. 23.—In the vast amount of publicity resulting from the Pacific Mutual Life debacle there has been no mention of the great desirability of the non-can policy from the buyer's point of view, or of some way to write this coverage on a basis attractive to the buyer and safe for the issuing company. This has been pointed out by Albert Hirst, New York City attorney specializing in insurance and estate work. Mr. Hirst is also a counsel of the New York State Association of Life Underwriters but made it clear that in urging a revival of non-cancellable accident and health insurance he was speaking solely in his individual capacity.

Mr. Hirst feels that there is a distinct need for non-can and that it is unfortunate that the largest company writing it has not only ceased to do so, but that by its present difficulties has inspired a defeatist attitude toward non-can throughout the insurance business. Inability of a life insurance agent to sell non-can, Mr. Hirst believes, is a drawback because buyers, who are after all really purchasing "peace of mind" insurance, want to insure not only against the death hazard or against old age, but also against prolonged impairment of earning power.

Favors Assessment Plan

There are two ways which could be used in writing non-can safely, Mr. Hirst contends. One would be to charge adequate rates, but to have an assessment clause so that if it should ever prove that rates were too low, they could be increased without the disturbing effect of having a company thrown into receivership. The reduction of benefits proposed for Pacific Mutual non-can policyholders is in a sense an assessment, but if it had been possible to make the assessment years ago when trouble was first sighted, the change in rates would not have had to be nearly so drastic. The assessment plan of writing a non-cancellable accident and health insurance policy has been in use for some time by the Mutual Benefit Health & Accident Association of Omaha.

The next plan in Mr. Hirst's order of preference would be to charge a considerably higher rate with the idea of paying dividends, comparable to those in a life company. The dividend would act as a safety factor the same as in life insurance and is even more necessary.

(CONTINUED ON PAGE 42)

A. & H. Clubs of California Elect Beall New President

MEETING IN SAN FRANCISCO

Fine Program of Addresses and Discussions Features Gathering of Association Men

C. M. Beall, manager Inter-Ocean Casualty at Los Angeles and former president Los Angeles Accident & Health Managers Club, was elected president of the California Association of Accident & Health Clubs at the annual convention in San Francisco. F. B. Aldredge, Occidental Life, was elected vice-president and Byron Williams, Connecticut General Life, secretary-treasurer.

The morning was spent in presentation of committee reports, introduction of officers of various member associations, general discussion, election of officers and an address by Gerald O'Gara, attorney Better Business Bureau of San Francisco.

Department Men Present

After luncheon Deputy Commissioner Beckett and E. F. Oswald of the department were introduced. There was a discussion of health insurance by Stephen Chelbay, assistant secretary Commercial Casualty; underwriting medical reimbursement, by H. B. Johnson, superintendent accident and health department, Aetna Life, Los Angeles; pre-approaches and approaches, by A. M. Holtzman, manager accident and health department, Colorado Life, vice-president National Association of Accident & Health Clubs; essential difference between industrial insurance and commercial insurance, by W. L. Thomas, agency director Massachusetts Bonding, Los Angeles, and legal aspects of misrepresentations in accident and health applications, by H. W. B. Smith, attorney U. S. F. & G., San Francisco.

Medical Reimbursement Talk

Pointing out that medical reimbursement coverage gives the salesman a clear cut picture to sell and is a decided improvement on the former extra expense benefits and is especially attractive to the substantial man living on a budget, fulfilling an economic need in preventing serious financial loss for the man of small means. Mr. Johnson said that it is becoming a decided leader for many companies in the commercial accident and health field. From 50 to 75 percent of new business is being issued on this form in some companies, he said. He pointed to the two types of coverage from the standpoint of company profit and loss and to the importance of proper understanding of the general conception of selection against the company. Medical reimbursement, he said, fortunately lacks an element that is often serious to permanency in accident and health development—shock loss. The amount of claim payments is definitely limited. There is little if any selection against the company. Substantial value at low cost allows upward revision of rates without decreasing the normal complexion of exposure.

Expects Upward Trend

He urged that unfavorable aspects should not be overlooked. As time goes on there will be a definite upward trend in claim payments, based largely on the "philanthropic principle" of medical treatment that the poor pay little and the rich pay proportionately more than their share. A medical reimbursement policyholder will become comparatively a wealthy man. Another disadvantage is prorating when an assured has a medical reimbursement policy in more than one company. Companies are at the mercy of assured in event of double reimbursement coverage. Another inequality to which there is apparently no solution is discrimination.

Discussing essential difference between industrial insurance and commercial

(CONTINUED ON PAGE 43)

Phil Braniff to Return



The mighty, glorious, glamorous, scintillating, iridescent Phil Braniff of Tulsa, Okla., will attend the great casualty convention at White Sulphur Springs the week of Oct. 4. This is the first time that Phil has been back to the resort for some five or six years and there have been many changes since then. He is returning full of experience, seeking new worlds to conquer. He has had his golf clubs brandished and his horseshoes burnished. He expects to make a record of some kind. At the banquet Spencer Welton, vice-president

Massachusetts Bonding, is to be master of ceremonies. When he presents the prizes Phil expects to be called up before him. If he is not called, however, he will respond during the evening in singing some topical ditties which he will have written with pertinent allusions to some of those present. H. H. Wadsworth of Syracuse, N. Y., president of the Insurance Federation of America, will play the guitar accompaniments. Toastmaster Welton expects to have a sparkling amateur hour this year.

Liability Covers Analyzed at Connecticut Bank Meet

Describing liability insurance as insurance to "make certain the uncertain," John H. Eglof, supervisor casualty agency field service of the Travelers, addressed the Mutual Savings Bank Association of Connecticut at its annual meeting at Norwich, Conn.

Explaining that liability insurance is the outgrowth of the legal concept known as "Law of Negligence," Mr. Eglof outlined the various forms of liability coverage required to provide adequate protection to savings banks.

Removes Uncertainty

"Notwithstanding all that one does to keep his premises in a safe and suitable condition for those who come upon them, and notwithstanding one's endeavor to exercise 'due care' at all times in dealing with the public, accidents will occur involving the public," he said. "The real purpose of liability insurance is to remove uncertainty in regard to unpredictable mishaps. 'Am I liable?' is a difficult question to answer and, because of use of such broad terms as prevail in the law and in court decisions, this question can be answered definitely only when, for example, the jury has brought in its verdict, or the claim has been properly settled out of court. When a jury says, '\$10,000,' all the world knows you are liable, and for how much."

The forms necessary for adequate protection of a banking concern, Mr. Eglof stated, are: Owners', landlords' and tenants' liability, to care for the bank's direct liability on its owned or controlled properties; properties for which it acts as trustee, executor, administrator, guardian or conservator; properties for which it acts as assignee of rents; and properties taken over by the bank as mortgagee in possession; manufacturers' and contractors' liability; protective liability; non-ownership automobile liability; contractual liability; elevator liability and boiler insurance.

Minnesota Banker Against the Consumer Cooperatives

Insurance is a specialized business and one that bankers should keep out of, William Duncan, secretary Minnesota Bankers Association, Minneapolis, and chairman insurance and protection committee of the state secretaries section American Bankers Association, said in his report before his committee meeting at the A. B. A. session in San Francisco. He discussed new bank rates promulgated and in effect, stating he believed further reductions in some sections could be expected or at least should be allowed by companies.

The work of federal law enforcement agencies together with improved protective devices had much to do with the present low rates. Bankers, he said, should keep counter cash down, inaugurate protective devices and follow instruction of manufacturers.

Considers Low Rate Situation

There are three or four states enjoying a lower rate than conference rates under certain policy forms, he said. In Minnesota in 20 months banks have been saved \$90,000 premiums, and in two other states they have saved in proportion. Rates were filed in other states by companies offering these lower rates, and Mr. Duncan said, undoubtedly this had an influence in the rate adjustment.

"I am not convinced, in my own mind—basing that on some experience we had a number of years ago—that the way to do the trick is the organization of mutual companies by the bankers themselves," he said. "It is a specialized business and one that I think we as bankers should keep out of. We had an experience in our state with a mutual a few years ago that cost us plenty of money. If you are fully convinced that the entire program of consumers-cooperatives should be established as competitors with private business in your own communities, then from the standpoint of the banking fraternity that would be your first contribution to a consumers' cooperative."

Casualty Convention List of Events Is Announced

WHITE SULPHUR'S GATHERING

Annual Roundup of the Company Officials and General Agents Faces an Interesting Program

NEW YORK, Sept. 23.—The program for the joint annual convention of the International Association of Casualty & Surety Underwriters and the National Association of Casualty & Surety Agents, to be held at White Sulphur Springs, W. Va., Oct. 5-8, has been completed. Guest speakers and their selected subjects on Oct. 6 will be: E. C. Lunt, vice-president Great American Indemnity, "Bankers Blanket Bonds"; Major General F. R. McCoy, United States Army, "Certain Spanish Associations"; Superintendent L. H. Pink, New York, "Insurance Company Examinations, a 40-Year Problem." In addition informal remarks will be made by Commissioners Blackall, Connecticut; DeCelles, Massachusetts, and Deputy Commissioner Gough, New Jersey.

Legislative Notables to Speak

On the following day addresses will be made by Congressman J. W. Wadsworth from New York, and by United States Senator Connelly, of Texas, the latter's subject to be "Government and Business." It is hoped Ray Murphy, Iowa commissioner and immediate past national commander of the American Legion, will likewise be present and speak.

At the business sessions E. C. Stone, president of the International association, and C. A. Abrahamson, president National association, will address their respective organizations, after which committee reports will be received, new business considered and committee appointments for next year selected. An extended entertainment program has been arranged, in which golf tournaments both for women and men, occupies a prominent place.

New System Gets Results for General American Life

The General American Life has experienced very satisfactory results from the arrangements under which application blanks for accident and health insurance are printed as part of sales literature sent out to its agents.

The plan was given a tryout several months ago in connection with sales literature for the company's sterling accident policy and the results were so pronounced the home office received many requests from field men for fresh supplies. In some instances the agent obtained a very large percentage of the application blanks already filled out by prospects. It was then decided to extend the arrangement to other advertising literature. Every day a large number of applications for health and accident insurance are written on the blanks that were part of some piece of advertising literature. The newer agents especially are obtaining very good results.

Travelers Changes Around

HARTFORD, Sept. 23.—R. Slocum, for 33 years a member of the Travelers home office staff and for many years manager of the mortgage loan division and cashier of the three Travelers companies, is retiring. H. M. Spencer, assistant manager of the mortgage loan division is promoted to manager, and W. S. Sherwood, assistant cashier, becomes cashier. F. A. Davis, field supervisor of farm loans, and R. C. Wilkins, field supervisor of city loans, have been promoted to assistant managers of the mortgage loan division.

Non-Can Dangers Long Unperceived

Survey of Origin and History Reveals Few Misgivings Until Depression

FOUND READY ACCEPTANCE

Pacific Mutual Life, in 1928, Believed Experience "Would Continue Satisfactory Indefinitely"

NEW YORK, Sept. 23.—Non-cancelable accident and health insurance, which is now in the dog-house as the result of the Pacific Mutual situation, was in its early days the fair-haired boy of the insurance business. Non-can filled a definite need for the man of good income but who nevertheless was concerned about what would happen if he should be disabled for a long period or for life. Most of these buyers could struggle along for several months or perhaps a year, but a really disabling illness or accident would eventually bring them to the Bowery bum status, as far as finances were concerned. The new form of policy found a ready market, even when it was not sold by the destructively competitive methods which all too often were employed in merchandising it.

The first non-can policies were issued by the Massachusetts Accident, which was one of the last companies to discontinue writing it. The indemnity which could be obtained, however, was relatively small and prevented the coverage from gaining the widest acceptance among the more substantial class of men to whom the coverage should logically appeal.

Adopted by Pacific Mutual

In 1918 the Pacific Mutual Life entered this new field of accident and health underwriting. It did so largely as a result of a suggestion by Alfred M. Best, head of the A. M. Best Company of New York City. In fairness to Mr. Best, it should be carefully noted that from the start he disclaimed all knowledge of what rates should be charged, but was emphatic that the waiting period should be at least a year and that the benefits should not exceed one-third of the assured's well established income.

Mr. Best felt that these safeguards were vital because the field was new and no adequate experience was available. However, the Pacific Mutual wrote as high as 75 percent of the assured's income and the waiting periods ranged from one to three months, rather than the year which Mr. Best had urged. Mr. Best felt that the type of man who would want non-cancelable insurance would have sufficient funds to carry him for a year after being disabled but that the hazard against which he wished to insure would be a prolonged or lifelong disability.

Felt Confidence in Non-Can

Even as late as 1928 the Pacific Mutual felt entire confidence in the future of non-can. The company's history issued in that year to commemorate its sixtieth anniversary states (on page 229): "It has brought to the company many thousands of the most desirable class of insurers. There are now 41,000 non-cancelable policy holders of whom 18,000 also carry life insurance with us. The company's experience with this business to date has been very satis-

(CONTINUED ON PAGE 41)

Royal Indemnity Agents in 25th Anniversary Meeting

BIG PROGRAM IS PRESENTED

Harold Warner, William Leslie, H. P. Dunham, Vash Young and Home Office Officials Speak

ATLANTIC CITY, Sept. 23.—Speaking at the agency convention of the Royal Indemnity at Atlantic City today, held in commemoration of the 25th anniversary of the company, William Leslie, associate general manager of the National Bureau, reviewed in outline the remarkable development of the casualty business since 1911, and noted the more important problems confronting it at the present time. He then recited in detail the activities of the National Bureau and of the manifold service it renders stock casualty insurance. By a coincidence, the quarter century anniversary of the Royal Indemnity likewise marks the 25th year of the National Bureau's formation, and also of the entry of Mr. Leslie into the casualty insurance arena.

Banquet Is Feature

The three day meeting closed today with a banquet at which the following men spoke: Harold Warner, United States manager Royal-Liverpool group, on "At Home Abroad"; Vash Young, Equitable Life of New York, who spoke on "Yesterday, Today and Tomorrow." During the business session today, in addition to Mr. Leslie, addresses were given by Col. Howard P. Dunham, vice-president America Surety and former Connecticut insurance commissioner, on "A Competitor's Point of View," and J.J. McGrath, chief rating bureau New York insurance department, on "Insurance and the Public." At the agents' conference yesterday, the speakers were Donald M. Wood of Childs & Wood, Chicago; Roy A. Duffus, Rochester, N. Y., and George W. Carter, Detroit.

The convention opened on Monday with greetings by F. J. O'Neill, president Royal Indemnity. W. A. Earls, Cin-

(CONTINUED ON LAST PAGE)

Explain Plans for Extending Coverage on Banker's Bonds

AMERICAN BANKERS MEETING

Chairman of Insurance Committee Reports Companies Have Agreed to Broaden Blanket Form

SAN FRANCISCO, Sept. 23.—Plans for the extension of cover under present banker's blanket bonds to include loss or damage to insured's premises, furnishings, fixtures, safes and vaults resulting from burglary or robbery, also to include in the property insured gold, platinum, silver and other precious metals, refined or unrefined, and articles made therefrom, such as jewelry, etc., were explained to members of insurance committee of American Bankers Association at the annual convention here by W. F. Keyser, of Sedalia, Mo., chairman. He said the companies have agreed to this extended coverage. He also announced Lloyds of London will extend coverage under its present unexpired bonds to meet that in the new forms of the companies. The speaker warned bankers that night burglary losses are on increase in accord with record for past seven years, and more vigilance must be exercised if insurance rates are not to be increased. He expects new standard form bank burglary policy will be completed and copyrighted within next month. This new form includes several additional improvements and additional coverage.

Uncover Big Claim Ring

BUFFALO, N. Y., Sept. 23.—Sweeping investigation by the grand jury now sitting is planned as a result of police evidence indicating wholesale frauds in accident ring collections made here from automobile liability companies over a period of several months. One arrest already has been made and numerous others are imminent, police say. It is claimed the evidence shows the ring one of the most extensive ever uncovered in this country.

Will Revise Plan for Pacific Mutual

Commissioner Carpenter of California Has Rejected Occidental Life Proposal

OBJECTIONS SET FORTH

Declared That Equities of Various Classes Are Not Properly Protected in Program

LOS ANGELES, Sept. 23.—Owing to repeated conferences of attorneys representing various interests in the Pacific Mutual Life controversy, court proceedings were postponed until later in the week. Inasmuch as Insurance Commissioner Carpenter has turned down the Occidental Life bid, he will present an amended program for submission to the court. This will be a liberalization of the proposal that was made before.

The rehabilitation plan as presented by Commissioner Carpenter has been discussed at the conferences and tentatively seems satisfactory. Commissioner Carpenter agreed to put the form in final draft.

Turns Down Occidental Bid

Commissioner Carpenter of California has turned down the bid of the Occidental Life of this city for absorption of the Pacific Mutual Life. He said that a comparison of the plan he offered for a new Pacific Mutual Life with the Occidental's offer compels the conclusion that the former plan offers more equity to all interests. Consideration, Commissioner Carpenter said, was given to the practical as well as to the legal aspects.

The Occidental Life offered to reinsure the life and accident business to the exclusion of all non-cancelable income policies. It is apparent, said the commissioner, that the non-cancelable business could not be carried on as a going business but would be immediately insolvent. Commissioner Carpenter says that he would not be justified in leaving the non-can people, especially those drawing indemnity for illness or injury, in a position where settlement could be forced on a liquidation basis.

Values Subject to Reappraisal

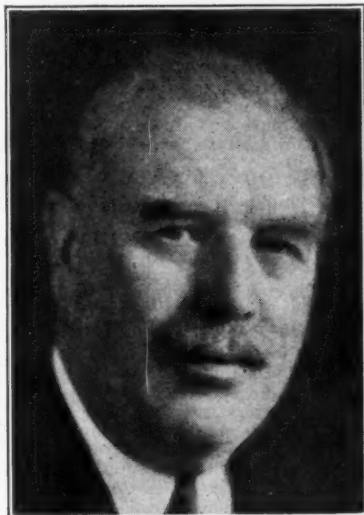
The proposals made by the Occidental require the transfer of assets of the Pacific Mutual on the basis of value established by the convention examination, but subject to reappraisal within one year or six months. Both proposals give the Occidental the right of selection of assets. Commissioner Carpenter states that this would be unjust. He doubts whether as conservator he has the legal authority to dispose of assets on a future determinable basis. The selection of \$185,000,000 of assets out of a portfolio of approximately \$215,000,000, he said, would leave the Pacific Mutual about \$30,000,000 least desirable from the standpoint of yield, liquidity and otherwise.

Variations Are Common

Variations running from 10 to 15 percent are not at all uncommon in appraisals. A variation of even 5 percent downward on \$215,000,000 book value, would relieve the Occidental of obligations to pay any portion of the approximate \$10,000,000 offered to the Pacific Mutual to be paid to the company from profits of operation of the reinsured business. The proposal would therefore hold out to the non-cancelable policyholders, only the speculation of returns.

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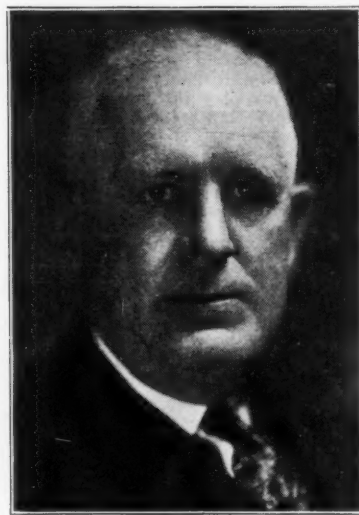
Silver Jubilee Presidents



A. DUNCAN REID

This week the Royal Indemnity and Globe Indemnity are celebrating their 25th anniversaries. The Royal Indemnity and its associate, the Eagle Indemnity, have an agency convention at Atlantic City and the Globe Indemnity has its gathering at Rye, N. Y.

The Globe Indemnity began business Dec. 4, 1911. It was organized by the Liverpool & London & Globe and it is now a member of the Royal group. A. Duncan Reid, president of the Globe



FRANK J. O'NEILL

Indemnity, resigned as superintendent of the Ocean Accident in 1911 to become general manager of the Globe Indemnity, being elevated to the presidency in 1919.

The Royal Indemnity commenced business Feb. 15, 1911. It was organized and owned by the Royal, the big English fire company. F. J. O'Neill became general counsel of the Royal Indemnity in 1915 and president in April, 1927.

Memphis Insurance Exchange Issues Defiance to Company

URGES ITS MEMBERS TO ACT

Declares That Hartford Steam Boiler Will Not Agree Not to Cohabit with Reciprocals

MEMPHIS, TENN., Sept. 23.—The Memphis Insurance Exchange has taken action following the publishing of an article in the "American Agency Bulletin" to the effect that the Hartford Steam Boiler had informed the D. A. Fisher Agency of Memphis that it "was not in a position to refuse business offered by reciprocal companies." The bulletin therefore to members of the Memphis Insurance Exchange reads as follows:

"The position assumed by the Hartford Steam Boiler is in direct contravention to the fundamental principles of the American agency system, and the Insurance Exchange of Memphis feels that positions similar to this taken by stock companies, if followed through to their logical conclusion would ultimately destroy the American agency system. Therefore, the Insurance Exchange of Memphis is of the opinion that the matter is of such grave importance as to justify its bringing to the attention of its members the Hartford's position and to recommend that as a matter of self-preservation the members of the exchange arrange to place their boiler and machinery lines with stock companies writing these classes of business and who will subscribe to the accepted principles of the American agency system."

"It is urged in order that this protective move on the part of the Insurance Exchange of Memphis become an effective weapon that you immediately furnish a list of your Hartford Steam Boiler expirations with instructions to renew at the proper time, to the agent of the boiler insurance company of your choice. Do not treat this communication as of little importance and do not procrastinate. If we are to remain in our chosen profession of insurance, we must protect ourselves by being loyal to those stock companies who are loyal to the American agency system."

Hold Safety Conference

A number of leading Pacific Coast insurance men are taking part in the second annual Western Safety Conference at Salt Lake City this week. Governor F. F. Merriam of California sponsored the organization last year and B. G. Wills, vice-president Fireman's Fund Indemnity, was general chairman. Mr. Wills gave response to the welcome address this week and Governor H. H. Blood explained the purpose of the conference. R. C. Barr, safety director Lumbermen's Mutual Casualty, San Francisco, spoke on "Rounding the Curves." F. C. MacDonald, California Industrial Accident Commission, spoke on "Safety for Employes in Industry."

New Bureau Established

The Cosmopolitan Investigation, Collection & Audit Bureau, with offices at 75 Maiden Lane, New York City, has organized a service for all classes of insurance companies in connection with earned and overdue premiums, salvage, subrogation, special audits relating to claims, payrolls, reporting covers and inland marine policies, services of arbitration, confidential negotiations and special inquiries. The bureau will be under the direction of Jas. A. Blainey, assisted by J. E. Cosgrove, who will be remembered as connected for many years in official capacities with the Maryland Casualty, the Constitution Indemnity and other leading casualty and surety organizations.

Double Decker



JAMES W. HENRY, Pittsburgh

J. W. Henry of Pittsburgh will be doing double duty next week, first as general chairman of the local arrangements committee for the National Association of Insurance Agents convention and next as president of the Pennsylvania Association of Insurance Agents, which will hold its annual meeting at the William Penn Hotel next Monday afternoon. Deputy Insurance Commissioner Joseph of Pennsylvania will speak on "Insurance at the Crossroads." He will detail the steps taken by the insurance department bearing on competitive conditions. The Pennsylvania association membership has increased 22 percent.

Sharp Decrease Is Seen in Number of Bank Holdups

Companies writing bank burglary business are interested in the report of the protective committee of the American Bankers Association to the executive council at the meeting in San Francisco. The peak year for bank robbery was in 1932 when 631 burglaries and holdups were reported. In 1934 there were 407 and last year 311. In the fiscal year of the A. B. A., ending Aug. 31, there were 148 daylight holdups and 41 night burglaries. The current period, the report says, reflects a further decrease of 40 percent compared with a year ago and a reduction of 71 percent in four years.

The report points out that while banks not members of the A. B. A. represent less than one-third of all eligible banks, they were the victims in about 60 percent of the robberies during the year.

Hall Urges Action by Legion

CLEVELAND, Sept. 23.—Traffic safety is one of the most vital peace-time causes with which the American Legion is concerned, John J. Hall, director street and highway safety division National Bureau of Casualty & Surety Underwriters, told the national convention of the veterans' organization here today. Mr. Hall is chairman public safety committee New York department of the American Legion.

Mr. Hall recommended that all Legion posts give a mandate to their representatives in state legislatures to enact traffic laws based on uniform codes established by the National Conference on Street and Highway Safety. He urged that local posts intensify their traffic control educational activities, both among adults and young people, and stressed the growing importance of the educational movement to teach good driving in the high schools. More than 5,000 high schools will give such instruction this coming year, he said.

Hazard for Pedestrians Is Greater in Rural Sections

PROBLEM STUDIED BY F. & C.

Survey Shows 8,550 Killed in Country Districts in 1935, Compared With 7,600 in Cities

NEW YORK, Sept. 23.—That rural highways present a greater hazard to pedestrians than do the streets of the cities, is a fair conclusion to be drawn from a study of the general problem by the research department of the Fidelity & Casualty.

Data compiled for the company showed that more persons were killed on country roads last year, than in towns of 10,000 or more population, for while 8,550 pedestrians were killed in rural districts, deaths in urban centers totaled 7,600. Deaths from collisions with other motor vehicles numbered 7,400 in country territory, compared with 2,250 in cities. Collisions with fixed objects cost 3,600 lives in rural districts as against 700 in cities.

Commenting upon the growingly serious condition, R. F. Cavanagh, superintendent Fidelity & Casualty's engineering department, said "Safety precautions may be advised for both motorists and pedestrians and to some extent may be enforced. Nevertheless, rural automobile travel at high speeds seems to have created problems for which there is no positive solution. In all too many cases, the only safety measures are left entirely to the discretion of motorists and pedestrians, who, we know, in many cases fail to exercise the necessary care. Dangers arising from pedestrians walking on rural highways are commanding increasing recognition."

Safety Mailing to Policyholders

The Hardware Mutual Casualty, Stevens Point, Wis., has completed a nation-wide mailing on a new angle of automobile safety to its policyholders. It features the "New Chivalry" which is courtesy while motoring and points out that "the knights of old gave the world a popular conception of chivalry—a broad idea of courtesy that showed itself in championing the cause of the right—protecting the weak and the less fortunate."

"The modern knight of chivalry is the motorist whose every act is courteous toward others, both drivers and pedestrians. He champions the obedience of traffic regulations and sets the pace of obeying them himself. He protects his own loved ones and those of others by making the golden rule his driving creed."

The booklet which is called "The Motorist's Handbook" points out the characteristics of the courteous driver and contains a digest of motor vehicle laws of the various states in the United States.

Casualty Annual Meetings

NEW YORK, Sept. 23.—Oct. 20 has been named as the date for the annual meeting of the Association of Casualty & Surety Executives, to be followed next day by the annual gathering of the National Bureau of Casualty & Surety Underwriters. Both meetings should have taken place earlier in the year, but were deferred pending final study by a special joint committee of various matters of high concern.

Urges Non-Partisan Regulation

Dr. W. B. Russ of the Bexar County Medical Association addressed the San Antonio Claim Men's Association on the importance of a non-partisan city health department for the protection of the insurance interests as well as the individuals. He explained how certain claims can be avoided to a great extent under proper health regulations enforced without political pressure.

Cycle Fad in U. S. Makes Sports Liability Popular

HARTFORD, CONN., Sept. 23.—Some companies are using the bicycle fad as a means of pushing sports liability. Phenomenal growth of the number of bicycles owned and ridden by adults is approximating the condition in Europe where bicycles for years have been used by adults in their every day life.

Many automobile-bicycle accidents have occurred and this is a fast increasing hazard. Bicyclists seem to be unable to realize that they must conform to sane driving rules the same as auto drivers, and especially at night present a great hazard on the highways. They have small tail lights of electric or reflector type, and often none at all. They also are unaware that they rarely can be seen by motorists at night until a crash is imminent.

Even Ride on Left Side

Sometimes they follow the safety rule learned as pedestrians, riding on the left side of the road so they can see oncoming cars. On the narrow 18-foot concrete highways common in this country the bicyclists are placed in hazard constantly due to the fact that there is not sufficient clearance for both auto and bicycle. A factor not generally noted in considering the increased hazard due to automobiles is that one of the greatest menaces on the highways now is the slow moving vehicle, due to the comparatively high average speed of traffic. The motorist coming upon a cyclist unexpectedly must stop, or if that is impossible, swing out of his lane. Many head-on crashes will result.

It is up to agents and brokers to acquaint their clients with the advantages of the sports liability form, applicable not only to bicycling but to many other forms of amateur sports.

Mutual Casualty Offices Operating in This Country

The American Mutual Alliance in its "Directory of Mutual Companies in the United States" shows that last year there were 188 mutual companies operating writing casualty business, the premiums being \$156,487,813 and the losses \$66,180,504. New York and Illinois led in number of mutual casualty companies, having 24 each. Iowa comes next with 19, then Wisconsin with 18, Ohio 14, Michigan and Pennsylvania 12 each and Massachusetts 11.

Accident & Casualty's Coast Plans

The Accident & Casualty of Switzerland has leased an office on the ground floor of the Adams-Grant building in San Francisco, which will be occupied by Manager J. R. Beauchamp and his staff. Mr. Beauchamp resigns as manager of the Norwich Union Indemnity to take his new position.

The Accident & Casualty will open a branch office at Los Angeles for southern California and will also have a branch office on the north coast, either at Seattle or Portland.

Ask Study of Service Case

LINCOLN, NEB., Sept. 23.—The attorney-general of Nebraska has been asked by Insurance Director Smrha to make a further study of the legal principles involved in a recent opinion furnished the department to the effect that an insurance company cannot sell surgical and medical attendance coverage without practicing medicine, and that it is not eligible for such a license. As the opinion would call into question the right of liability insurance companies to sell to automobile owners policies agreeing to furnish lawyers to defend damage cases, Mr. Smrha feels that the matter should be given further investigation.

ACCIDENT AND HEALTH FIELD

Detroit Club Starts Drive to Double Its Membership

DETROIT, Sept. 23.—The Detroit Accident & Health Association has set Oct. 8 as Membership Day. On that day the entire membership will turn out to aid R. M. Rowland, National Casualty, chairman of the membership committee, and his associates to double the membership of the association prior to the first general meeting Oct. 13. Each member will be requested to bring his new members and prospects to the October meeting.

Further membership plans include a letter to go out to all managers and general agents, requesting them to designate one member of their staff to join the association. It is felt that through these contacts others in each organization can be brought into the field.

The conducting of a school for new men in the business under the auspices of the association was suggested by J. P. Collins, National Casualty, past national and local president, and was well received. Reports of the committees were given by their chairmen. Among the suggestions advanced by the ways and means committee were the holding of educational meetings, with set subjects announced in advance and speakers invited to speak on these subjects, rather than securing speakers and allowing them to select their own topics; holding a keno party in November, Jubilee Month Jan. 15-31; a stag party in December and a dinner dance in February. All activities suggested up to the first of the year were adopted.

Claim Association Outing

The Chicago Claim Association will participate with the Chicago Accident & Health Association in an all-day outing Sept. 29 at Southmoor country club. There will be a golf tournament with prizes.

Thornburg Is Vice-president

DETROIT, Sept. 23.—J. Harvey Thornburg, head of the accident and health underwriting department of the National Casualty, has been elected vice-president in charge of underwriting effective on the 25th anniversary of his affiliation with the organization.

Mr. Thornburg joined the National Casualty in 1911 after having been associated with the Colonial Casualty. Starting as claim auditor, in 1915 he became head of the underwriting department when it was organized as a separate unit, and has headed it for 21 years.

Bid \$200 for Company

OMAHA, NEB., Sept. 23.—The best bid so far received by Insurance Director Smrha for the assets of the failed Midland Casualty, an assessment health and accident company, is for \$200 and the matter has been referred to the court for final action. These assets are largely premium notes, with a face value of \$12,800, but John S. Logan, attorney for the department, says that many are uncollectible.

Hutton Is Denver Speaker

William E. Hutton, vice-president and general counsel of the Capital Life of Denver, will address the Denver Accident & Health Association Oct. 5 on some phases of the business from the legal viewpoint.

Loyal Protective Meet

The Loyal Protective and the Loyal Life held a state agency meeting in Columbus, O., with over 40 agents present. E. B. Fuller, vice-president, and W. B. Cornett, field director, spoke.

Connecticut General Life Conducts Prospecting Drive

In the third round-up, two months' summer prospecting campaign conducted annually by the Connecticut General Life, agents reached 97.3 percent of the new prospect quota set and 138 percent of the quota of sales to new

customers. The prospect ratio shows a considerable increase from the 85 percent scored in the past two years.

Twenty-nine agencies, double the number of previous years, made their agency prospect quotas. The Murrell agency of New York led the larger agencies with a percentage of 140.1, the Sparks agency of Kansas City the intermediate group with 234.7, and the Rockwell agency of Elmira the smaller agencies with 166.7.

Douglas T. Smith of Hartford is the first member of the field force to qualify for the company's honor roll of leading producers for 20 years. Mr. Smith qual-

ified in 1917, the year in which the honor roll was established, and has qualified consecutively ever since. Three general agents, Joseph C. Gorton of Hartford, Joseph M. Pasner of Stamford, and J. Lindley Hall of Burlington, Vt., have qualified for the general agents' division of the honor roll for 20 consecutive years.

Adopts New H. & A. Manual

The Wisconsin National Life has now adopted the new health and accident conference manual. Conforming with the manual the company has made



FEARLESS

Under the outward placidity of many a business office lurks a disquieting, disturbing fear—fear of the unknown in human nature.

A majority of the moral breakdowns which result in defalcations today occur in people with no previous record of dishonesty.

It is not that men are dishonest as a group. People are surprisingly honest. But the stress and strain of modern life, temptation and opportunity, take their toll.

Yet the dwellers in National Surety Town live securely, fearlessly, on this last frontier,

human nature itself. The Fidelity bonds which cover them are a tribute to their past records, to their employers.

And when the unexpected occurs and the loss is discovered—other jobs are secure, the business goes steadily on. It is a regrettable incident, a personal tragedy, not a major disaster.

National Surety representatives everywhere—themselves picked men—are selling Fidelity protection; plus protection against burglary, forgery, and many other dangers.

NATIONAL SURETY CORPORATION
VINCENT CULLEN, PRESIDENT
New York

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slight changes in rates for its master accident policy, leader accident, perfect protection policy, universal protection policy, and recently issued new complete coverage health and accident policy form C-34.

Hauschild Gives Talk

E. Hauschild, assistant secretary of the Continental Casualty's accident and health department in New York City, spoke to the Rochester, N. Y., Accident & Health Club this week. George L. Dyer, Jr., Columbian National, St. Louis, who was originally scheduled to talk, was taken ill.

W. T. Harper, vice-president in charge of the agency department of the Maryland Casualty, was in Chicago this week enroute to San Francisco. H. E. McClelland, resident vice-president there, recently resigned. Mr. Harper will look over the field preparatory to filling the position.

WORKMEN'S COMPENSATION

Florida Industries Attack Rate Increase as Proposed

TALLAHASSEE, FLA., Sept. 23.—The Associated Industries of Florida have filed a second brief with Commissioner Knott, attacking figures presented by the National Council on Compensation Insurance in support of a proposed 24.7 per cent increase in workmen's compensation rates.

The brief said "justifiable figures have not been presented and all rate making principles have been violated in the proposal now pending before you. The only fair procedure will be a revision at the proper time on the basis of detailed data showing the actual loss ratio for

each and every classification as has been the standard practice in every other state."

The Associated Industries' main objection is that the National Council is basing its claim on six months' figures instead of waiting a year or more.

W. C. Heaton, chairman Florida industrial commission, has announced the formation of a safety department to educate employees and enforce regulations.

Seeks to Stop Service Outfit

The Illinois insurance department has contended that the Illinois Employers Service Corporation of Chicago is transacting an insurance business and quo warranto proceedings have been issued

against it. It has been operating under a secretary of state charter and its contracts have been certified by the Illinois Industrial Commission as complying with the workmen's compensation law.

New Division in Ohio

COLUMBUS, O., Sept. 23.—A new underwriting division is being set up in the Ohio industrial commission in an effort to obtain greater compliance with the workmen's compensation law in regard to premiums. Estimated payroll reports of new risks seeking coverage will be checked. A check will also be kept through commercial reports and personal investigations of new enterprises.

Joint Committee Plans

SAN FRANCISCO, Sept. 23.—Plans for the formation of a joint committee drawn from the Insurance Brokers Exchange of San Francisco, the Society of Insurance Brokers and the California Association of Insurance Agents, have been made following a conference between representatives of the two broker's groups on the retrospective compensation rating proposal.

The conference held in San Francisco last week was attended by Vice-president Sanford B. Perkins of the Travelers Indemnity and Luther Armstrong, Travelers casualty manager here. The executives explained the plan as it has been discussed for the past several months in the east. The committee will study the program in an effort to determine its merits or make recommendations for improvement to the companies. It is expected the committee will be named following the National Association of Insurance Agents convention, when California officials return home.

Chicago Engineers to Meet

George F. Gehrke, manager of the liability department of Moore, Case, Lyman & Hubbard, Chicago, will be the speaker at the opening fall meeting of the Casualty Engineers Association in that city. Mr. Gehrke will discuss the new occupational disease law which goes into effect in Illinois Oct. 1.

Dallas Claim Group Elects

At the annual meeting of the Dallas, Tex., Claims Association, the following officers were elected: President, C. H. Schutte, assistant general claim agent M. K. T. Railroad; first vice-president, C. H. Heard, Fidelity & Casualty; second vice-president, J. L. Chadwick, investigator Retail Credit; secretary-treasurer, B. L. Morrison, Travelers; directors, B. K. Gardner, Ohio Casualty, and L. W. Cape, Dallas Railway Company.

PERSONALS

George D. Taylor, Greensboro, N. C., agency manager for the Hartford Accident, will marry Miss Ruby Mae Baten of Beaumont, Tex., on Oct. 3.

Ed Gill, production manager Glens Falls Indemnity, is operating this week in Pittsburgh and Columbus, O.

"Let's Be Skillful" is the title of a booklet newly issued by the Aetna Casualty & Surety as an aid to the campaign for greater safety in motoring. Little space is devoted to text matter, most of the safety messages being shown graphically by page street and highway diagrams illustrating both the right and the wrong way of operating cars under commonly encountered conditions. Copies of the booklet will be furnished by the company for use in courses of instruction highway safety.

Complete copies of the "non-can" accident and health contracts are in the new 1936 Time Saver. Order now through this magazine.

THE SIGN OF GOOD CASUALTY INSURANCE



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Plate Glass Exchange Is Being Initiated in Chicago

NATIONAL BUREAU PROJECT

Starts Oct. 1 With Manager Malah in Charge; Malicious Breakage Conditions Bad

The National Bureau of Casualty & Surety Underwriters Oct. 1 will start in its Chicago branch office under direction of Manager Peter Malah an "Exchange of Information on Malicious Breaks & Impaired Risks," to supplant in some functions the old Cook County Plate Glass Insurance Bureau which was disbanded some months ago. The decision was bulletined this week by the executive committee to Manager Malah.

This exchange will conduct no survey or rate work at present although it is hoped eventually to enlarge the functions to include these activities. The service primarily will be available only for company members of the National Bureau, although it appears likely that non-conference companies which are interested in submitting the required data on risks and paying a service charge may be permitted to enjoy the advantages of the exchange.

Take Over Old Records

Old records covering some 5,000 risks in all, of the old Chicago bureau now in the possession of C. M. Hayden, vice-president Glens Falls group in Chicago and president of the old bureau, it is anticipated, will be taken over this week. This will give a nucleus upon which to build a worth while service.

The Chicago exchange will be under supervision of L. A. Sawyer, manager plate glass department, National Bureau, New York. National Bureau member companies operating in the Chicago plate glass field, it is said, represent approximately two-thirds of the premiums in the line there.

Data Card Is Prepared

The data card prepared by the National Bureau requires location of risk, name of assured, occupancy, whether the policy was canceled, renewed or declined, notation as to non-payment of premium, bad physical condition, bad experience, neighborhood, malicious breakage loss, size, cost of replacement, cause of break and pertinent remarks. The cards will bear only a number representing the individual company, which will be identified only to Manager Malah.

Malicious breakage of plate glass in Chicago, which for the last year appeared to be under control, has risen to such a scale that one of the leading companies in the field there has quit writing plate glass through one of its leading agencies where the P. G. loss ratio was 300 percent this year. Many policies placed by this agency were canceled and there is a question whether the others will not be allowed to run off at expiration.

Breakage Situation Worse

Some two years ago plate glass underwriters appealed to State's Attorney Courtney, who went to "headquarters" to stop the malicious breakage. It was well recognized this situation constituted a regular racket involving glaziers who needed work and were prepared to do what was necessary to get it. Through certain channels appeal was made just recently to Mr. Courtney to renew his protestations against the practice, but so far there have been no visible evidences that he has done so. It is felt that perhaps, it being "election time," Mr. Courtney does not wish to offend any substantial class of voters.

The breakage situation has become so bad that Chicago merchants this week, acting through the Cook County Retail Council, called on law-enforcement bodies to arrange special protection for

them against the organized window smashers. The merchants have lost many thousands of dollars worth of merchandise taken from show windows by the glass breakers. Walter Knoop, executive secretary retail council, warned that burglary and plate glass rates on this class of business will have to be increased substantially if the situation is not curbed. Plate glass underwriters are loath to acknowledge their real belief that a large proportion of the breakage is caused by glaziers who will profit by the work created, for the glass underwriters are at the mercy of these men. Several years ago there was a threat by the union men that a certain

company would be ostracized and the glaziers would do no work for it.

The glass underwriters have attempted to localize the breaks, but ran up against the snag of a stagger system of employing glaziers under which a man will set glass for a day or so for one glass company, then go to another one, and so on. However, glass underwriters are confident there is a definite system of breaking insured glass; that the crooked glaziers know quite well what glass is insured and what is not, and select for breakage only those involving glass insurance, for this guarantees replacement work.

Several times in the last year or so

Chicago glass underwriters have sought increase in rates, especially since setting and replacement charges were substantially raised. However, they have had no success. A prominent office operating in Chicago confesses its loss ratio on glass is well over 100 percent this year and others are distressed over the situation.

Revive Old Burglary Club

An outgrowth of this condition may be the effort made this week to revive and reorganize the old Burglary Underwriters Club. A meeting was held in the office of the National Service &

(CONTINUED ON PAGE 40)



AN ATTRACTIVE RESIDENCE BURGLARY PROGRAM WITH YOUR FIRE INSURANCE SOLICITATIONS

Uncover Markets Heretofore Unapproachable

**CENTRAL SURETY
AND INSURANCE
CORPORATION**

KANSAS CITY, MO.

DENNIS HUDSON, PRES.

Capital \$1,000,000.00

Surplus \$960,871.49

Admitted Assets \$5,159,678.78

NEWS OF THE COMPANIES

Celebration Planned for '38

Maryland Casualty to Give Prizes for Ideas on How to Observe 40th Anniversary

Planning to make its 40th anniversary celebration in 1938 one of the outstanding events in its history, the Maryland Casualty has offered prizes totaling \$500 to agents and employees in a contest to secure ideas on how best to observe the celebration. The Maryland will be 40 years old March 1, 1938. The agent or employee suggesting the best program for commemorating the birthday will be awarded first prize of \$200. There are 17 other prizes.

President Silliman Evans announced the appointment of a general steering committee for the anniversary program, consisting of the following company executives: General chairman, W. T. Harper, vice-president and agency director; vice-chairman, Peter H. May, vice-president and comptroller, and assistant to general chairman, David C. Gibson, director advertising and publica-

tions. Dr. Allan D. Lazenby, chief surgeon, has been named chairman of the celebration committee.

The Maryland commenced business in Baltimore on March 1, 1898. In the intervening years it has built up an organization of some 12,000 agents and employees and has become one of the foremost casualty-surety companies in the United States.

American Casualty Progress

Reading Company Takes New Lease of Life—Will Be Heard From in Positive Way

American Casualty of Reading, Pa., is a company that has taken a new lease of life and will be heard from in a positive way. H. G. Evans, the new executive vice-president, who was until recently chief of the division of companies of the Pennsylvania department and before that was a Travelers man in Pittsburgh, is a young man of imagination and force, with a comprehensive knowl-

edge of the business and a determination to go places. He is being supported in his enterprise by President Harvey Shore, who has been the cornerstone of the organization for years.

Just now the home office quarters are being remodeled and the physical layout altered. Tabulating machines are being installed and that innovation will mean a saving of about \$20,000 a year, Mr. Evans states.

American Casualty is now writing automobile insurance on all types of pleasure cars at 20 percent below the manual rate for the W or small car classification.

In the past the company was quite a factor in the accident and health field, writing about \$500,000. The premiums in that line are now about \$150,000, but the management intends again to make a strong bid for A. & H. A new line of policies, including a non-occupational contract similar to that being sold by Continental Casualty and General Accident, will soon be announced.

In the last two months the volume of business has been double what it was in the same period in 1935. At the present rate, the company would do a business of \$1,800,000 in a year's period. The management has an objective of about \$3,000,000 a year within a reasonable time.

Illinois Department Report

Tells Findings on the Examination of the Standard Mutual Casualty of Springfield, Ill.

The Illinois department has issued its report on the examination of the Standard Mutual Casualty of Springfield, Ill., as of June 5. It writes automobile, accident and health. Its assets are \$233,186, surplus \$158,651, it being a mutual company. The report says the present cash position is ample and well maintained, the management is efficiently conducted by men of ability and experience. The treatment of policyholders, says the report, appears to be equitable and fair.

Frank Roberts, the secretary and treasurer, is the main factor and Mark O. Roberts, vice-president, is associated with him. Vice-president Roberts is in charge of investments. The company operates only in Illinois. Its automobile, fire, theft and collision rates are the same as the conference while liability and property damage are 15 to 20 percent under manual. The discounts allowed on fleet business range up to 10 percent. It has about 6,000 policyholders. The company has a general agency contract with the Standard Underwriters & Security Co., running for 20 years from Jan. 1, 1928. Starting Jan. 1 last, it provided that commissions should not exceed a total of more than 37½ percent and in addition the company is to pay the general agent interest of not to exceed 3 percent on its guarantee fund loaned to the company. It is understood that the general agency is to pay all other agents' commissions. Commissions paid agents and subagents range from 15 to 35 percent except on public liability and property damage on which commissions are from 15 to 25 percent.

Its premiums for the year up to June 1 were \$32,009, total income \$35,280, losses \$12,598, total disbursements \$30,681. Its premium reserve is \$40,042.

Employers Mutual Group Observes 25th Anniversary

Officials of the Employers Mutual Liability group, home office employees and field representatives joined in celebrating the 25th anniversary of the founding of the liability company, at Wausau, Wis. Festivities opened with a smoker, followed by meetings of branch and field workers. The anniversary banquet and celebration was held Friday evening. The company held open house for several days.

H. J. Hagge, president and general

manager, opened the sales meeting Friday morning. Through W. H. Burhop, secretary, the company employees presented Mr. Hagge with a gavel made from wood taken from the lodge of Neal Brown, one of the founders and president of the company. Mr. Burhop and J. H. Phillips, actuary, spoke. At the anniversary banquet Commissioner Mortensen of Wisconsin was principal speaker.

Lumbermen's Mutual Record

The Lumbermen's Mutual Casualty of Chicago during the first eight months showed premiums \$16,268,813 as compared with \$15,173,956 a year ago. President James S. Kemper finds that the automobile accident situation is showing improvement. Fatalities for the first seven months show a decrease of 2 percent. The greatest decreases, he said, have been in those states which have drivers' license laws.

Mr. Kemper emphasized the difficulty in charting an investment course as being the most pressing problem at the present time. He said, "It is difficult to project the probable trend of interest rates and of bond prices and interest return on bonds under present economic conditions. Unquestionably a large amount of business development already projected would be promptly put under way if confidence on the part of business could be assured. Until that time comes and until government priming through excessive spending is curtailed, the outlook for the future of investment results must of necessity be uncertain."

Auto Mutual Indemnity Surplus

In the Georgia department semi-annual figures of the Auto Mutual Indemnity of New York, there was a mistake as to policyholders' surplus. The semi-annual statement surplus is \$107,004, which by Aug. 15 was increased by \$20,000. The mistake in the Georgia statement was due to the fact that the free surplus was separated from the statutory surplus. As required by New York state, the statutory surplus is \$97,000. This gives, however, surplus to policyholders \$107,004. The surplus is being further increased by an addition to capital loan account of \$30,000 during the present month.

License Hearing Postponed

MADISON, WIS., Sept. 23.—The Associated Indemnity license hearing scheduled for Sept. 19 was postponed and will be held today.

Buyers' Conference Beneficial

KANSAS CITY, Sept. 23.—The first meeting of the Insurance Buyers Conference of the Associated Industries was held here. A number of buyers testified, impromptu, that after the meetings last season they went back to their offices, called their brokers and made changes in coverage. They didn't all save money, one buyer saying additional premium cost resulted, but he was properly covered on a certain risk. W. A. Sullivan, insurance director Loose-Wiles Biscuit Company and conference chairman, said brokers and agents had indicated that they were pleased with the reaction to the meetings and discussions. The proposed retrospective rating plan for workmen's compensation will be discussed at a meeting October 20, and also the annual state compensation rate revision which comes up in January.

Head Officials in Chicago

The Accident & Casualty has engaged offices in suite 529-33 Insurance Exchange, Chicago, comprising 1,500 square feet of space and plans to open for business about Oct. 1. Neal Bassett, United States manager, and Ogden Davidson, assistant United States manager, were in Chicago making the arrangements. Mr. Bassett spending an entire morning in the space planning office arrangement and redecoration.

"AMICO has a net cost that builds new business —and holds renewals"

This is the comment of a Pennsylvania agent who discovered the value of a really competition-proof, non-assessable policy. The advantages of offering AMICO's annual savings and nation-wide service with secure, "friendly" protection, may be yours with the AMICO franchise for your territory. Inquire today—no obligation.

AMERICAN MOTORISTS INSURANCE COMPANY

James S. Kemper, President

Home Office . . . Chicago, U. S. A.

THE ONLY ILLINOIS COMPANY HOLDING A CERTIFICATE OF AUTHORITY AS AN ACCEPTABLE SURETY ON FEDERAL BONDS

FIDELITY AND SURETY NEWS

Blanket Bond Plan Favored

New Jersey Finance Commissioner's Proposal for Covering State Employees Not Original

NEW YORK, Sept. 23.—State Finance Commissioner Lamb of New Jersey favors a blanket bond cover for all state employees in place of the individual bonds now used, and has directed department heads and commissions to that effect. Just how the blanket cover is to be written does not appear, and the commissioner is likely to experience considerable difficulty in obtaining the indemnity, if at all.

A rule of the Surety Association adopted by the executive committee in 1932 prohibits issuing any position form of bond for any public official. A suggested modification of the rule was considered by the public official bond committee organization last May but failed to carry, the majority of members being opposed.

The idea of a blanket bond cover for all government employees is not new, having been advanced in various states from time to time in recent years. A similar proposal was offered in Congress late in 1935, supposedly at the instigation of Postmaster Farley but was pigeonholed in committee. The plan of insuring the 500,000, more or less, federal employees from whom bonds are required, did not appeal to the good sense of lawmakers.

The argument that officeholders in certain states as well as in the national government are protected under the civil service act, and that their positions are comparatively secure during good behavior, is met by the claim that politicians have discovered numerous ways of getting around the civil service provision; and also that many persons appointed in recent years are not of a particularly desirable type. From an insurance standpoint they thus present a hazard greater than employees named under competitive conditions in earlier days.

Kansas City Group to Meet

The informal luncheon group of surety branch managers in Kansas City will open its fall season Sept. 29, with Baxter Brown of the Fidelity & Deposit as chairman.

The group, organized two years ago, is entirely informal without officers, dues, or the other conventions of the usual association or club. Surety branch managers get together once a month to chat about common problems, and each meeting appoints the chairman for the following meeting.

Under Compensation Law

PIERRE, S. D., Sept. 23.—The provisions of the state workmen's compensation act apply to workers assigned through the Resettlement Administration as workers on road and other public works in the state or its various subdivisions, the attorney-general has held. When the Resettlement Administration assigns such a worker to any public works job, that administration does not assume any obligation as to character of work, hours or wages, that being under the control of the division of the state which accepts such worker, and the holding is that this makes such workers employees of that division of the state or if the work is under state control, of the state itself, and that all the requirements of the state law apply as to authority to use public funds for insurance premiums for workmen's compensation protection, or the state or subdivision assumes the risk on its own account, any amounts due in case of injury to be met out of the funds of the division employing.

Push Fidelity Bonds in N. Y.

Production Committee Sends Folder to 12,000 Brokers, Setting Forth Advantages of Line

NEW YORK, Sept. 23.—An arresting folder tersely setting forth the need for fidelity bonds, has been mailed to some 12,000 insurance brokers in the metropolitan territory by the New York City fidelity bond production committee. The committee is carrying on an intensive campaign to familiarize production men of the city with the benefits accruing to business houses through the fidelity bond form of coverage, and from responses to the effort had thus far, there is every promise that the result will be a large gain in income from the line.

As a further stimulant, the committee has offered prizes—one of \$100 and the other of \$50—for the two most acceptable essays on the subject "Fidelity Bonds Are Vital," the contest being open to employees of any branch office or general agency of a participating company. All essays are to be submitted before Oct. 15. The first sales conference under the auspices of the committee will be held at the Chamber of Commerce building, Sept. 30.

Withdraws Surety Request

DETROIT, Sept. 23.—Early in September the city of Detroit advertised for bids on individual and blanket surety coverage for city officials and employees handling city funds. Due to several defalcations that came to light in recent months, the companies were hesitant about submitting bids and none of the larger companies would consider the blanket coverage at any feasible rate. Shortly after the bids were sought the newspapers announced the uncovering of another shortage in city funds and the city withdrew the surety bid request to await a more propitious time.

New Tactics Against Chasers

LINCOLN, NEB., Sept. 23.—Under the urgency of bar associations, Attorney-general Wright has filed disbarment proceedings in district court against three Nebraska attorneys, whom he charges with stirring up litigation by sending agents around to induce persons injured in automobile accidents to bring suit. There is no statute in Nebraska forbidding ambulance chasing except where litigation is lodged in other states against residents of Nebraska, but the supreme court recently held that it has power under the constitution, to disbar attorneys who engage in such practices because such conduct is derogatory to the dignity of the profession and tends to bring it into disrepute. The attorney-general has gone further into the matter by causing citations to be issued for men who are charged with being runners for the attorneys and active in securing contracts for services from injured persons. He takes the position that this constitutes contempt of court because it is in essence practicing law without a license. The court had previously held that any one practicing law without a license is in contempt of court.

Louisiana Bureau Functioning

NEW ORLEANS, Sept. 23.—The Louisiana Casualty & Surety Rating Commission is a functioning body now with A. P. White as chairman, E. L. Engorran, secretary and E. A. Conway the third member. J. W. Farber, an experienced casualty and surety executive, will be the office manager. Offices are on the twelfth floor in the state capitol.

A POSITIVE APPROACH TO THE SAFETY PROBLEM

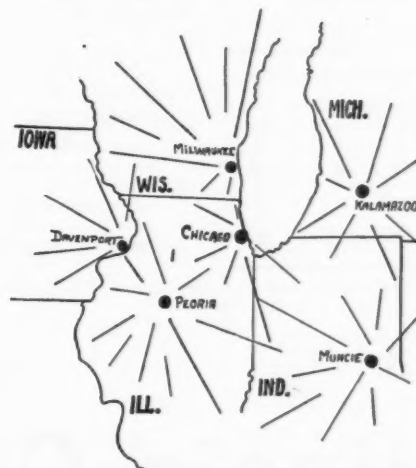
"PICTURE Yourself as the Safe Driver," a book whose illustrations put you right into the driver's seat and send you off on a safe journey, is the latest contribution of the John Hancock Company to the highway safety movement.

Published in the belief that the positive attitude toward safety can impress those whom the horror appeal cannot reach, this little booklet is receiving the endorsement of highway safety authorities the country over.

We are glad to send copies to interested members of the insurance fraternity. Address your request to the Publicity Department, 197 Clarendon Street, Boston, Massachusetts.



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Plate Glass Exchange Is Being Initiated in Chicago

(CONTINUED FROM PAGE 37)

Appraisal Co., at which plans were outlined by H. L. Bredberg, Chicago manager of the insurance division of the office. The club has been inactive for a year or more. It seems necessary to revive it to meet the new underwriting and physical hazard problems presented at this time. W. A. Coen, former president of the club, presided. A nominating committee was selected to report a slate at a luncheon meeting Sept. 29, consisting of Martin Patt, U. S. F. & G., Mr. Coen, L. W. Burger, manager Bankers Indemnity, and G. M. Boynton, Standard Accident.

Chicago-Milwaukee Outing

Chicago and Milwaukee surety underwriters get together this week at an all-day outing at Wilmette Country Club north of Chicago. R. E. Hall, Ocean Accident, Chicago, presided at the dinner. J. P. Keevers, president Chicago Surety Underwriters Association, and Bert Zinn, U. S. F. & G., president Milwaukee association, took active part.

Name Educational Group

NEW YORK, Sept. 23.—The New York Accident and Health Club announces the 1936 New York educational committee. L. W. Winslow, Fireman's Fund, is reappointed chairman, J. L. Ullman, of W. L. Perrin & Son, is vice-chairman; R. W. Chapman, Royal Indemnity, arrangements; E. Y. Duncanson, Connecticut General, publicity; F. P. Curran, Continental Casualty, speakers committee; Hugo Hemm, North America, finance; L. M. Farrell, Hartford Accident, treasurer; H. C. Jensen, Preferred Accident, secretary. The first lecture will be Nov. 2.

CONNECTION WANTED

Insurance Counseling, Research, Cost, Efficiency, Sales Management, Agency relations, Claims' Advisor or Underwriting connection wanted with large multiple line organization. Four years Home Office experience, six years State Manager large fire company, nine years State Manager large associated Casualty Company, now ten years operating Agency Engineering, Adjusting, Sales and Counseling Service. Unlimited references. Would like personal interview.

ADDRESS D-70, NATIONAL UNDERWRITER.

WANTED

Share in Casualty & Fire Agency. Man, age 33, college graduate, with insurance experience, desires to purchase half-interest or more in an established casualty and fire agency with a minimum premium income of \$40,000 annually, in central or north Atlantic states, preferably but not essentially in Indiana or New York. Ready cash available.

ADDRESS BOX D-75
NATIONAL UNDERWRITER

Teletype System Slashes Time and Costs at Aetna

HARTFORD, CONN., Sept. 23.—The teletypewriter system which the Aetna Life home office uses to communicate with its larger field offices has proven a great asset in speeding up wire communications and in cutting down costs. The number of messages sent last year by telegraph was almost the same as in 1931, but the cost per message was 42 percent lower in 1935. The telegraph companies have termed the Aetna Life's arrangement to be one of the best of any of their customers.

Distance Is a Factor

When the Aetna Life affiliated companies moved from downtown Hartford to the new home office late in 1930, the size of the building, particularly its length, about one-eighth of a mile, made the handling of telegrams a slow and unsatisfactory process, since the sending machines were centralized in one department adjacent to where mail was handled. Vertical transportation was rapid, as automatic conveyors were used to carry messages from floor to floor. Cross-transportation of messages, however, was slow and instead of attempting to install automatic conveyors for this purpose, it was decided to locate telegraph stations near three of the four vertical conveyors, as this would eliminate cross travel entirely instead of merely attempting to speed it up.

Placed at Peak Load Points

By placing the telegraph printers at the conveyors and on the floors where analysis showed that most of the telegrams were sent and received, it was possible to pick about half the telegrams through messengers operating direct from the automatic conveyor stations, while the other half were carried by conveyors to or from their proper floors and handled by messengers from there.

There is a telegraph printer station at each end of the building and a central or control station near the middle of the building. At each station is a printer connected with the local Western Union office, one connected with the Postal Telegraph office and a third printer connected by leased wire to the New York City office. At the central station, in addition to the three telegraph printers, there is a telephone company printer. The printers are installed by the telegraph or telephone companies because of the volume of business.

Principal Offices Have Printers

Principal offices in a number of cities are also equipped with telegraph printers. The placing of these machines is dictated by the distance from the home office and the volume of messages, since nearby offices can as easily use the telephone. There are printers at San Fran-

cisco, Los Angeles, two in Philadelphia, where the life and casualty departments are in different buildings, also Chicago, New Orleans, and St. Louis. There is a telephone printer at Philadelphia and another at Pittsburgh.

Whether to use a telegraph or telephone printer installation depends on individual considerations. Telephone communication is two-way, that is, messages can be sent and received during the same timed-wire period and so may be more economical in some cases. Sending by telegraph printer is faster, however, as the message goes direct to the telegraph office and it is not necessary to wait for acknowledgments, answers, or questions.

Phone Lines Were Overtaxed

The Aetna Life for some time had three leased telephone lines to New York before it put in the leased telegraph printers. However, even these three direct lines to New York were becoming overloaded and a large number of calls were being made on regular telephone lines at standard rates. Investigation showed that typed messages would be better for record purposes in nearly half the cases and that these cases could be handled by a leased teletype printer operating at about half its capacity. One leased telephone line was replaced by a leased teletype line.

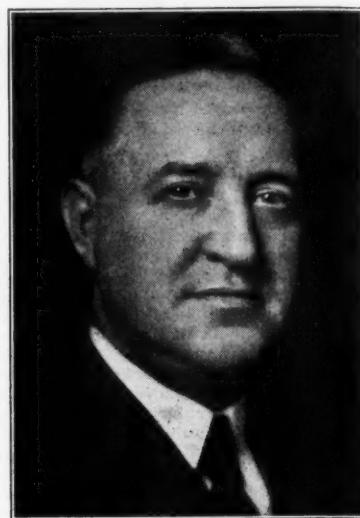
The difference in cost between the telephone and teletype lease and the large reduction in telephone calls to New York over outside wires more than paid the salaries of the two clerks who were added to the teletype force. Before the change, it had often been necessary for those wishing to make calls to New York to wait an hour or more for a telephone line because of the heavy load. Addition of the direct teletype wire not only speeded the wire service but the telephone service as well by reason of the decreased load.

Send Messages Via New York

With the direct teletype wire between Hartford and New York running at only about half its capacity, an effort was made to find some way of using the unutilized time on the wire. Comparison of New York telegraph rates with those out of Hartford indicated that about one-quarter of the home office telegrams would cost about an average of 20 percent less if filed with the telegraph company in New York instead of in Hartford. As a result, where such savings can be made, messages are sent from the home office to New York over the leased teletype wire and turned over to a New York City telegraph office for transmission to destination.

In addition to saving 42 percent in the cost per message in 1935 as compared

Prominent Detroit Agent Named Company Director



GEORGE W. CARTER

NEW YORK, Sept. 23.—George W. Carter, widely known general agent of Detroit, will become a director of the Royal Indemnity at the annual meeting in January. The announcement was made by President F. J. O'Neill at the agents convention in Atlantic City.

As an appreciation from his fellow field workers, Mr. Carter was presented a silver cigar and cigarette box.

Speakers at the forenoon session were Mr. Carter, on "Mutual Competition"; David J. Main, Royal agent in Denver, chairman; Donald M. Wood, Royal agent in Chicago, on "Boosting Your Company," and Roy A. Duffus, Eagle agent in Rochester, N. Y., on "Modern Production Methods."

with 1931, the New York City teletype and the telephone teletype cost per message is about 25 percent of the previous cost of telephone calls.

Use "Timed-Wire" Service

A factor in keeping telegraph costs down is the intelligent use of the timed-wire service. This service consists of charging the same amount for the use of a printer for three minutes as a 50-word day letter would cost. It is possible to send up to about 150 words during this three-minute period which is equivalent to one-third the cost of a day letter or one-tenth the cost of a straight telegram. The Aetna Life was able to make immediate savings on long messages and found it was entirely feasible to set up schedules for sending most messages at two or three set times a day and pay for one timed wire instead of for several short messages.

1916

20th Anniversary

1936

Illinois Casualty Company

SPRINGFIELD

AUTOMOBILE INSURANCE

Always Under Same Management

J. L. PICKERING, President

P. W. PICKERING, Sec.-Treas.

Illinois Iowa Indiana Missouri

Non-Can Dangers Long Unperceived

(CONTINUED FROM PAGE 33)

factory. There is every reason to believe that it will continue so indefinitely."

Some feverish competition went on when the Pacific Mutual was trying to push its non-can policies to the utmost. A life man who was connected with an accident company in a middle western city a dozen years ago recalled some of the tactics used by the Pacific Mutual agency in that locality.

Followed Alphabetical Procedure

"Apparently they went through the telephone book and called up all the likely prospects," he said. "We knew they were going at it alphabetically because our trouble with our regular accident and health policyholders came alphabetically. Their strategy was to call up these policyholders and say, 'Have you read your cancellation clause?' If the prospect said 'No,' as he usually did, the agent would say, 'Go and read it.' If the prospect didn't have a policy handy the agent would have one out of which he would read the cancellation clause. The playing up of the fear of cancellation was quite unsettling to many policyholders."

"To combat this destructive competition our company authorized agents to offer exactly the same coverage that the Pacific Mutual was offering at just half the premium. No commission was paid on such business and of course the agent was only expected to use it as a last resort to hold business against that competition. This drastic retaliatory measure pretty well took care of the situation. Of course it was not as bad as that everywhere."

The depression, of course, was a decided factor in disturbing all concepts of what had previously been considered

adequate reserves for the non-can. With the high ratio of benefits to established incomes, and the relatively short waiting periods, it was all too easy for non-can, like the total and permanent disability issued by life companies, to become unemployment insurance for those fortunate enough to carry it, and with consciences sufficiently elastic to consider themselves disabled when they probably would have been able to keep on working if times had been prosperous.

The difficulty of computing adequate reserves is well indicated by a quotation from the Massachusetts Accident's house organ for 1926: "We believe that the reserve which we are at present required to set up is excessive and that in the course of time this will be proven to be the case. In the meantime we must charge and collect the required premium and hope that it will not be many years before we can issue a full life policy at a premium which will make the policy marketable."

Not All Non-Can Is Life Indemnity

In any discussion of non-cancellable accident and health insurance the assumption is usually made that non-can is always of the life indemnity form, but this is not by any means the case as a number of companies have issued non-can without the life indemnity feature which is the usual cause of high losses. On the aggregate indemnity form, where the company is obligated to pay only for a certain number of months, the maximum liability in any case is readily determinable and the necessary reserve, either for active lives or disabled lives, is very much less than where life indemnity is involved. This is an important factor.

field is proper selection of agents. He declared that for many years all types of racketeering agents had preyed on the industrial companies and they must be eradicated if the business is to rid itself of present evils. The trouble has been he said, that companies have underwritten their risks more carefully and scientifically than they have their agents.

Mr. Herron called attention to improvement in the industrial field in the south, pointing out that with the general pickup in business a better class of prospects is now available and companies are finding it less necessary to solicit among the high mortality classes, such as the poor, illiterate or colored. He predicted a brighter future for the accident and health business, in particular, as this field has probably suffered the most from high mortality and lax underwriting. Better selection of agents, together with greater effort on the part of the underwriting and claim departments, will improve the quality of business in the future.

Will Revise Plan for Pacific Mutual

(CONTINUED FROM PAGE 33)

based on the outcome of a future appraisal.

As to the Transamerica group agreeing to underwrite an increase in capital and surplus of the Occidental to an amount equal to the capital and surplus of the new Pacific Mutual, he thinks the privilege of stock purchase is of little practical value in a reorganization. Under such an undertaking, he said, Transamerica would either hold the additional stock or would sell it to other holders, thus realizing a full value.

Commissioner Carpenter feels that the paragraph regarding the agreement on part of the Occidental to pay an amount up to one-half of the deficiency in non-can active life reserves, approximately \$8,500,000 out of earnings of the reinsured business, subject to a reduction or entire elimination upon reappraisal downward of the assets is not clear in all particulars. There is objection to this instalment payment proposal on the legal basis that it might be construed to prefer first claimants to the detriment of claims coming later. He thinks that the proposal to organize a new company to write non-cancellable business provided 75 percent of the non-can policyholders consent to accept policies has little practical value.

So far as can be learned, the Occidental Life proposal is the only one that has been made outside of the new Pacific Mutual Life that was first authorized. Commissioner Carpenter still contends that his plan offers more equity to all interests than any others.

New York Brokers Group O.K.'s Retrospective Plan

NEW YORK, Sept. 23.—The Insurance Brokerage Association of New York, at a well attended special meeting yesterday failed to approve the retrospective rating plan of the National Bureau of Casualty & Surety Underwriters and instead went on record as endorsing the plan to the joint-brokers committee. It was further decided to recommend to carriers that in preparation of rates under the retrospective plan actual death and dismemberment claims be considered, instead of averaging losses for New York State.

Through the former method it was held, a more accurate and fair loss cost to assured would result, and would permit more ready sale of the contract. Operation of the companies' plan was explained by C. J. Hough, actuary National Bureau, while the proposition of the brokers' committee was presented by H. W. Schaefer, vice-chairman workmen's compensation committee.

The gathering was followed by that of

the Brooklyn brokers and in turn brokers' organizations in different cities will meet and review the retrospective rating program.

Son Joins Israel

Robert E. Israel, head of Israel Co., Wichita, and mayor of Wichita has announced the addition of his son Robert, Jr., to the firm to have charge of the insurance department. Young Robert graduated from Wichita University in 1932 and has been engaged in other business ventures since but now makes the fourth generation to be associated with the Israel Company which was opened by his great grandfather in 1871. Robert E. Israel, Sr., has been operating the firm for 26 years, opening the insurance department in 1914.

Making Business a Pleasure

A booklet to help you increase your sales THE PREFERRED WAY

THE PREFERRED ACCIDENT INSURANCE COMPANY of NEW YORK 80 Maiden Lane New York, N. Y.

Sent FREE to Preferred Type Agents

North American Homecoming

Company Announces Program for 50th Anniversary Convention at Chicago Oct. 2-4

Leading producers and home office representatives will be on the program of the 50th anniversary homecoming of the North American Accident, to be held at La Salle Hotel, Chicago, Oct. 2-4. The convention will open with a luncheon Friday noon, after which the following agents will speak: S. G. Moyer, Columbus, O.; Robert I. Pinner, New York City; E. S. Le Vaino, Pittsburgh, and Leo A. McMahon, Baltimore. A sales demonstration will be staged by W. J. Tiernan and T. P. Townsend, both of Baltimore.

Home Office Session

Saturday morning will be given over to a home office session, with agents and company representatives discussing their joint responsibility. Speakers and their subjects will include: Agency department, A. J. Bamann, Rochester, N. Y., and S. R. Rauwolf, home office; underwriting department, C. W. Cameron, Oklahoma City, and Miss Katherine T. O'Connor, home office; claim department, G. C. Fuller, Seattle, and Miss Frances E. Raiter, home office; accounting department, John R. Carpenter, Minneapolis, and Miss Margaret H. Nelson, home office. Outstanding producers who will tell their sales methods are J. P. Jones, Los Angeles; H. J. Small, Worcester, Mass.; W. E. Calkins, Rochester, N. Y.; Harry Fulton, Denver, and Jack Beall, Jr., Waycross, Ga.

A luncheon will be given at La Salle Hotel Saturday afternoon, following which a sightseeing trip has been arranged. There will be a dinner dance Saturday night and the convention will close with a farewell breakfast Sunday morning.

Industrial Conference Meets

Legal Section Is Established at the Annual Meeting of the Organization at Nashville

NEW OFFICERS ELECTED

President—O. E. Starnes, vice-president Imperial Life, Asheville.

Vice-president—G. R. Kendall, president Washington National, Chicago (reelected).

Secretary-Treasurer—W. B. Clement, assistant secretary Pilot Life, Greensboro (reelected).

Chairman Executive Committee—F. P. Samford, president Liberty National Life, Birmingham.

Executive Committee—P. W. Jones, retiring president, secretary Bankers Health & Life, succeeding S. L. Loury, Jr., chairman Gulf Life; members held over—P. M. Estes, general counsel Life & Casualty; J. R. Leal, secretary Interstate Life & Accident; E. T. Burr, actuary Durham Life; C. A. Craig, chairman National Life & Accident; F. F. Leith, vice-president Peoples Life, D. of C.; A. B. Langley, president Carolina Life.

Place of next annual meeting, May, 1937, Asheville, N. C.

NASHVILLE, Sept. 23.—The Industrial Insurers Conference at its annual meeting here launched a legal section. P. M. Estes of the Life & Casualty presided. Much attention was given to the social security act and its effects. Bonding of agents was another topic on the agenda. At the general session, double indemnity benefits for industrial policies received attention.

C. M. Herron Gives Talk

C. M. Herron, vice-president Life & Casualty, who spoke on "Claims and Risks in the South," said that the greatest problem in the industrial insurance

Scores Defeatist Stand on Non-Can

(CONTINUED FROM PAGE 31)

sary in non-can, Mr. Hirst pointed out, since the experience is not so well established as the life mortality tables are. Mr. Hirst prefers the assessment idea to the participating plan, since he feels it would cause the issuing company to exercise more care in underwriting and rate-making. Since it is always unpleasant to have to call for an assessment, every effort would be made to avoid the need of it.

Mutual Benefit Life's Plan

In connection with the participating non-can plan, it should be pointed out that the Mutual Benefit Life of Newark has had an excellent experience on its participating disability rider, on which premiums are large enough to contemplate payment of dividends. However, the Mutual Benefit Life also has the

protection of its special clause which provides that a policyholder must be disabled to the extent that he has lost 75 percent of his earning power and that the company is not obligated to pay more than 75 percent of his ordinary income and if he is making any income at all, to pay him only the difference between 75 percent of his ordinary income and the amount he is receiving from other sources.

The cost of medical care has become a social problem, especially for the middle class who are the principal customers for non-can, Mr. Hirst pointed out.

Scores Defeatist Attitude

"It is no answer to say, 'we have tried it and given it up,' when the problem is to see that a man can insure against being broken by accident or illness," Mr. Hirst said. "I do not believe that to sell non-cancellable business safely it would be necessary to charge such premiums that no one could afford to buy it. The complaint against non-can has been that it was written at inadequate rates and that benefits were too large in proportion to the buyer's established income. After the present Pacific Mutual debacle, I believe the public will have been educated to realize that the assessment feature or the participating plan would be a desirable safeguard. Buyers now appreciate that they can't get out of a company more than they put in."

Assigned Risk Pool Question Up

(CONTINUED FROM PAGE 31)

by the carrier. If these class carriers join, he stated, they will not be called upon unless the committee receives for assignment a risk eligible for insurance in that carrier, considering both business and location.

Mr. Angsten spoke briefly on medical examinations, stating that he felt that an employer should not object to installing them if he is placed in the position where he has to solicit insurance through the assigned risks pool. However, he counseled caution at the start, in order not to antagonize organized labor. The occupational disease law is purposely silent on compulsory examinations, he continued, but labor leaders are beginning to realize that the day of examinations is at hand and that this will protect both the employer and the employee. If it is handled diplomatically, Mr. Angsten expects no trouble over this question.

Mr. Fuller also discussed the requirement of coinsurance on assigned risks with excessive silicosis hazards. The percentage to be borne by the assured shall be determined between the carrier and the employer. Accrued liability may also be disposed of by mutual agreement, which probably will take the form of a lump payment to the carrier, in consideration of which the insurer will assume the accrued liability.

DeCelles' Rate Reduction on Auto Cover Under Fire

(CONTINUED FROM PAGE 31)

bases rates, the figures reported to the bureau were corrected for rate-making purposes to their proper level. The five-year average experience in place of two years was used, and expense ratio was reduced.

"These rates are actuarially sound," DeCelles said, "because they are calculated upon tested and accepted formulae. . . These rates are adequate, just, reasonable and nondiscriminatory."

Judge Chase's brief held the rates in past have been inadequate, causing heavy losses to stock companies which have written such policies. The 1937 rates are again inadequate, and unless increased will add to the deficit suffered by companies.

Traffic hazard has materially increased. There is a greater number of cars in operation, and faster cars. High speed highways increase the hazard.

Traffic congestion is increasing. Because of these facts, 1931 losses do not reflect the actual insurance hazard of today. The same thing is true of each of the years for which experience statistics are available. "This leads to the conclusion that a rate based upon the latest available experience covering a five-year period is sure to be inadequate for the coming year," Judge Chase said.

Study of Pure Premiums

To determine the rate for private passenger cars for 1935, the latest experience available was for 1933. Average pure premium for the class on the five year basis, 1929-1933, was 22.31, yet experience shows the actual pure premium for 1933 was 24.26. Correspondingly, average pure premium on the five year basis for 1928-1932 would give pure premium for 1934 of 22.14; whereas the actual was 25.74. Average pure premium indicated in 1927-1931 for 1933 would be 21.41, but true experience shows 23.45.

"It is apparent that the experience of later years is more likely to show the conditions which will prevail in a coming year, and that the nearer the experience to be relied on is brought to the year for which the rate is to be fixed, the nearer will be the approach to adequacy in the computation," Judge Chase said. "It follows that a pure premium derived from the experience of 1935 is more likely to be adequate for 1937 than a pure premium computed from the average experience of the five years 1931-1935."

Counsel Presents Comparison

To avoid too wide fluctuation due to using a single year's experience, he said, two years' data is likely to indicate more nearly what the premium should be. Using the two years' data, he said, pure premiums based on actual experience are: 1933—22.20, compared to the five-year average of 21.41; 1934—22.29, as compared to 22.14; 1935—22.62, as compared to 22.31.

Judge Chase held that DeCelles' application of a factor of .980 in reduction of pure premiums, and reduction of so-called expense loading from 36 percent to 35.5 percent are not justified by facts in evidence. Approximately 2 percent reduction in rates results from application of the .980 factor to pure premiums, and this appears to be an arbitrary adjustment.

Urges Official Frankness

"The only safeguard to the companies is that they be told just what figures go into the computation of the rates, and that they be able to check their sources and their accuracy, and the weight given to them, and meet them with evidence, to the end that they be determined honestly and accurately." The 35.5 expense factor would not meet the actual expenses of stock companies, Judge Chase said. "Even if the expenses of both stock and mutual companies were average (and we do not concede that this would be fair to the stock companies) the average would be 33.44, which, if we added 2.5 percent for profit would require an expense loading of 35.94, or .44 more than allowed in the tentative rates."

Add to Coast Adjusting Staff

SAN FRANCISCO, Sept. 23.—Four adjusters have been added to the staff of the Pacific department Fire Companies Adjustment Bureau in the automobile casualty department. Heavy increase in volume made the additions necessary, according to Manager H. J. Boyle. Stanley Kramer joins the San Francisco unit and R. V. Hill joins the Los Angeles office. Both have been independent adjusters of casualty claims in San Francisco for many years. In Portland, Ore., W. Lyall Pearson joins the staff. In Sacramento, W. Hal Daily, former independent adjuster, is added, while John P. Loretz, who has been in Sacramento, is transferred to Chico as assistant to Manager L. C. Young.

"The Time Saver helps. We close quite a lot of accident and health sales," says one user. Write for descriptive folder to this magazine.

Casualty Field Changes

Goes with the Employers

C. Keith Hutchins, for the last five years superintendent for the Great American Indemnity in Washington, has resigned to become special agent in Washington and Oregon for the Employers Liability with headquarters at 301 Hoge building, Seattle.

Dudley Joins Carr

H. B. Carr, Michigan manager for the Fidelity & Casualty, has appointed John Dudley, son of Lee Dudley, of the Hubbard-Dudley agency in Battle Creek, branch office underwriter. Mr. Dudley formerly served as cashier of the Chicago branch of the Great American. On Oct. 1, W. J. Reutter will join the branch as assistant in the bonding department under Superintendent C. R. Young.

Auto-Owners Promotes York

The Auto-Owners of Lansing, Mich. announces the promotion of I. W. York to superintendent of agencies. He has been with the Auto-Owners for seven years as field man, and during the past year has been state agent in Ohio. Mr. York will be succeeded as state agent for Ohio by Theodore K. Mathers, who, has been affiliated with the Rough Notes Company of Indianapolis. He brings to his new position a number of years of experience in the insurance field, having previously been with the Maryland Casualty and the American Surety. Mr. Mathers' office is at 614 Beggs building, Columbus.

Luthy Goes to Boston

Mark D. Rector has been elected secretary of James S. Kemper & Co. in Chicago, and M. P. Luthy, assistant to the president, has been transferred to the New England department of the Kemper group of companies, with headquarters at Boston. Mr. Rector was manager of the Sprinklered Risk Underwriters and the Plate Glass Reciprocal Underwriters from 1924 to 1931. In the latter year both organizations changed to the mutual plan of operation and Mr. Rector continued as manager of the Sprinklered Risk Mutuals. Prior to Mr. Luthy's appointment two years ago as assistant to the president of the Lumbermens Mutual Casualty and the American Motorists he was manager of the business extension department.

Fidelity & Deposit Changes

E. M. Smith, assistant manager agency department, Fidelity & Deposit, has been promoted to associate manager. G. C. Cosway, special representative, was appointed assistant manager, succeeding A. C. Taylor, who recently became resident vice-president in Detroit. L. D. Jensen, assistant manager Indianapolis branch, succeeds Mr. Cosway as special representative.

Detroit Women's Meeting

The Detroit Insurance Women's League opened the fall and winter season with a dinner and interesting talk by R. Neil Brannon, casualty manager of the Maryland Casualty's Detroit office. Although most of the 50 girls who were in attendance are engaged in the fire branch in their offices, they were much interested in Mr. Brannon's exposition of the varieties of liability cover. He was kept busy answering questions following his talk.

Shelby Mutual Plate Glass Meeting

A home office meeting for all the company's special agents will be held at Shelby, O., Sept. 24-26 by the Shelby Mutual Plate Glass & Casualty.

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A. & H. CLUBS OF CALIFORNIA ELECT BEALL

(CONTINUED FROM PAGE 32)

cial insurance, W. L. Thomas, agency director Massachusetts Bonding at Los Angeles, pointed to the misunderstanding which surrounds industrial disability insurance contracts, particularly by many commercial and life underwriters. If this class of coverage were thoroughly understood by the agent, it would be accepted by the professional and business risk as readily as the commercial disability policy.

Favors Monthly Payments

He told of advantages of the monthly premium payment plan. The day has passed for the average individual to pay large amounts for disability insurance, he said, for the industrial disability contract will provide ample coverage at reduced cost.

The discussion of legal aspects of misrepresentations in accident and health applications by Mr. Smith was a somewhat technical and detailed outline of an amendment to the California code enacted by the legislature in 1935 under which fraud must definitely be shown before liability may be denied.

Inspirational Address

"Influence is a fine prospector and a good pre-approacher, but usually a weak closer," said Mr. Holtzman. He told essentials of successful selling, making a plea for approach through graphic appeal, a combination of spoken approach and graphic illustrations. He criticized use of the word "objections" raised by prospects. These, he said, are not objections but questions which the prospect would like to have answered.

F. W. Timby, manager Preferred Accident, San Francisco, president of the association, presided. A banquet was held.

G. W. Kemper, Fireman's Fund Indemnity, was general chairman, assisted by J. C. Brown, Standard Accident, and Stephen Chelbay, Commercial Casualty. Two women accident and health underwriters were present at all sessions,

Marian Closser, Washington National, Chicago and Alva Adams, Fireman's Fund Indemnity. The 1937 meeting will be held in Los Angeles.

Reduction in commissions, elimination of credit and "free" insurance which assured now enjoy from the date of renewal of policies until they are cancelled for non-payment of premium, would go a long way toward placing health insurance on a profitable basis, Stephen Chelbay, assistant secretary Commercial Casualty, said in a talk on "Health Insurance." Although his suggestion was considered somewhat radical, he justified his plan with the assertion that with less acquisition cost companies could more freely write this classification and agents would find income increased because in soliciting accident insurance they could easily include health and thus make two commissions. Numerous "health insurance" schemes also would be curtailed. If acquisition costs were sufficiently reduced, he said, there might even be a reduction in rates for health insurance, thus in the long run increasing commissions.

Suggest Dates for Week

Suggestion will be made to the National Accident & Health Association that National Accident & Health Week be held April 19 to 26, 1937, as the result of action taken by the California association at its annual convention. The advisability of designating this period was pointed out by T. W. Budlong of the Firemen's of Newark Newark group.

Activities of various groups studying health insurance with the view to possible legislation which might include compulsory health insurance, was pointed to by F. W. Timby, manager Preferred Accident, association president. He made a plea that companies "take care of their own industry" and study the subject so public needs or demands might be met by properly licensed and supervised companies. Also he sug-

gested that companies be prepared to submit proper data to these groups to assist them in their deliberations.

The convention voted to suggest to the National association that membership in the national body be based upon membership in the local group or club. In this way, undesirables would be eliminated from membership in the National association.

Because California law governing health association services is so strict it is practically unworkable, these services are, in many instances, being "bootlegged," Gerald O'Gara, of O'Gara and O'Gara, attorneys Better Business Bureau, San Francisco, said. A condition of fraud is created which accident and health underwriters should seek to correct in the next legislature. There should be proper regulation of these associations, he said. Some practice medicine, sending sugar-coated pills to policyholders. To enforce the law would put out of business many fraternal and other types of health associations operating in proper manner. Thus, under a sort of "gentlemen's agreement," all, good and bad alike, continue to operate. Mr. O'Gara told numerous instances of fraud uncovered by the bureau and conviction of Harry Kramer, operator of numerous associations. Kramer is in San Quentin at present.

City of Chicago Dissatisfied With Fire Rate Reduction

(CONTINUED FROM PAGE 5)

1935, and goes farther in a calculation allowing 75 percent increase. This, Mr. Hodes says, would indicate a 1936 loss of \$7,795,307, this being based on a hypothetical premium income of \$14,173,285 to derive a loss ratio of 55 percent, although, Mr. Hodes said, Chicago fire premiums it appears will total \$17,386,496, a figure he arrived at by calculating the full year's income for the entire list of Chicago Board companies by allowing a 25 percent reduction for the fourth quarter year.

Carries Out Calculation

This premium income, Mr. Hodes said, would indicate a loss ratio of 44.8 percent, or well under the normal 55 percent and an excess collection of \$3,213,211. Calculating for the five year period on the same basis, he says, premiums received will amount to \$88,481,911 and losses \$42,398,332, or 47.9 percent. Mr. Hodes said the companies could hold their premium collection on this basis to \$77,087,695 and still leave 45 percent for expense of doing business, but otherwise the excess collected would be about \$11,395,216, or approximately \$2,278,843 per year.

He stated that in the calculations the companies were given every benefit in choice of figures—assuming larger losses than are indicated and also adopting the 25 percent reduction in premiums. Mr. Hodes conceded that the Chicago Board might have additional data not heretofore considered by the corporation counsel's office and expressed a desire to see such figures.

Manager Glidden's Letter

Manager Glidden's letter to Mr. Hodes emphasized that average fire rate in Illinois has been reduced 33 1/3 percent in the period 1926-1935, this, however, not reflecting the recent rate cut on fireproof risks in Chicago, nor reduction on dwelling properties in Chicago.

"Furthermore, the annual premiums now being collected by fire insurance companies in the city of Chicago are 40 percent less than they were for the year 1926. The premiums collected for the second period, 1931-1935, inclusive, in the city of Chicago are also 40 percent less than the premiums collected for the first period, 1926-1930, inclusive. This reduction in premiums also does not reflect the recent reductions in rates above referred to.

"In view of the reductions already granted and our well ordered program, which includes also constant downward revision of rates on individual risks from

day to day, no further action with regard to reduction in rates is warranted. To follow any other policy would inevitably mean that insurance carriers would soon be placed in the position where their outgo would exceed their income in Chicago and would not be conducive to the maintenance of their solvency."

Dust Machinery Warning

NEW YORK, Sept. 23.—Pending issuance by the industrial board of a list of approved dust removing devices together with rules for their installation and operation, Commissioner Andrews cautions owners of industrial plants against purchasing any machinery other than with the stipulation that its acceptance is contingent upon the board's later sanction. The commissioner expressed satisfaction over the cooperation given by plant owners in the desire to comply with the silicosis law which became effective recently, and the study they are giving to machines that will effectively reduce the dust hazard.

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ROYAL INDEMNITY IN 25TH YEAR RALLY

(CONTINUED FROM PAGE 33)

cinnati, spoke for the agents' group and Monroe Porth, Milwaukee, spoke for agents of the Eagle Indemnity, which held its convention at the same time. At the dinner Monday night, addresses were given by Col. Frederick Hickman, vice-president C. J. Adams Company, and A. B. Bielaski of the arson bureau of the National Board.

Two of the foremost casualty companies, both owned by London institutions are celebrating their 25th anniversaries this week, they being the Globe Indemnity and Royal Indemnity. When they were organized they had no family ties. The Royal Indemnity was the first to start business, it commencing Feb. 15, 1911, with \$500,000 capital and \$549,000 surplus while the Globe Indemnity started Dec. 4, 1911, with \$750,000 capital and \$562,500 surplus. The Royal Indemnity was put into the field by the Royal Insurance Company and the Globe Indemnity by the Liverpool & London & Globe. Both saw the opportunity for building up a large casualty business in the United States.

Big Insurance Family

The Royal Insurance Company gained control of the Liverpool & London & Globe in 1919 and that brought all the L&L&G affiliates into the Royal family. The group is now a formidable one with large home office resources, the parent companies doing a world-wide business. The fleet now consists of the American & Foreign, British & Foreign Marine, Capital Fire of Sacramento, Cal., Eagle Indemnity, Federal Union Fire, Queen, Globe Indemnity, Liverpool & London & Globe, Newark Fire, Royal Insurance Company, Royal Indemnity, Star Fire, Thames & Mersey Marine.

The big factor in the Royal Indemnity is F. J. O'Neill, who became president in 1927. Charles H. Holland was

the first general manager and pioneered in building the company until he became president of the Independence Indemnity. Mr. O'Neill became general counsel of the Royal Indemnity in 1915 and was made vice-president in 1920. Last year premiums were \$11,441,208. Mr. O'Neill is now joint general attorney of the Royal-Liverpool & London & Globe group in the United States. He is a director and president of the Eagle Indemnity, a running mate of the Royal Indemnity. The Royal Indemnity has a splendid organization. Its assets are \$25,624,393, capital \$2,500,000 and net surplus \$4,052,247. Harold Warner, United States manager of the Royal-L. & L. & G. group, is vice-president. C. E. Trinder, who was formerly with the law office of White, Cheney, Shinnaman & O'Neill of Syracuse, N. Y., Mr. O'Neill's former law firm, is second vice-president, having entered the Royal Indemnity in its bonding legal department. Thomas F. Jennings is second vice-president, he being made superintendent of the liability department of the Royal Indemnity in April, 1911. James B. Clancy is secretary.

Duncan Reid and the Globe

The moving spirit in the Globe Indemnity is A. Duncan Reid, president, who for many years was executive superintendent of the Ocean Accident & Guarantee and went with the Globe Indemnity as general manager when it was organized. He was made president in 1919. The Globe Indemnity premiums last year were \$14,181,989 and its assets \$33,180,927. Its capital is \$2,500,000 and its net surplus \$5,332,220. Kenneth Spencer is vice-president and secretary, he coming from the Pacific coast and represented the company in Chicago and San Francisco. Thomas J. Gra-hame, another vice-president, is in

charge of the New York metropolitan office, going with the Globe Indemnity in 1913. Vice-president M. A. Craig is head of the surety department. Vice-president L. R. Swezey was formerly president of the Phoenix Indemnity and went with the Globe in March, 1930.

Mr. Reid is joint general attorney of the Royal-L. & L. & G. group. He is chairman of the board of the Royal Indemnity, is a director and general counsel of the Globe Indemnity.

Both companies are exceedingly well manned. Their chief officials are particularly well ballasted and nicely fitted to the positions they fill. The companies have done a profitable business.

Railway Association Now Has 11 Company Members

(CONTINUED FROM PAGE 4)

ager of the Royal, was the first president of the syndicate, being succeeded in turn by C. F. Shallcross, resident manager of the Royal; H. W. Eaton, United States manager of the Liverpool, London & Globe, and by Hugh Loudon, later manager of the same company. Upon Mr. Loudon's retirement from the fire field, the whole scheme of the syndicate's method of operating was overhauled, and the present Railway Insurance Association created. Wilfred Kurth, president of the Home, is chairman of its advisory committee.

Wisconsin Commissioner's Order Affects Marine Line

(CONTINUED FROM PAGE 4)

further notice, must be sent through an actuarial bureau as provided by Section 203.43, except the following: a. Registered mail. b. Parcel post. c. Property at risk only while in transit in the possession of railroad companies or other common carriers.

Policies under item c of paragraph 4 shall have the following endorsement attached: "It is understood and agreed that this policy covers the property at risk only while in transit in the possession of railroad companies or other common carriers."

New North Dakota Concern

PIERRE, S. D., Sept. 23.—Articles of incorporation have been filed for the State Health & Accident Association, at Brookings, S. D. to write health, accident and life insurance on a benevolent basis.

Oldest Records of Companies Now in Field

There are a number of casualty, accident and surety companies that are 50 years of age or more and a greater number that come within the class between 25 and 50 years. The following is the list:

FIFTY YEARS OR MORE

Accident & Casualty of Winterthur, Switzerland	1875
Aetna Casualty & Surety	1883
Aetna Life	1850
American Surety	1884
Connecticut General	1865
Employers Liability	1880
Fidelity & Casualty	1876
General Accident	1885
Guarantee of N. A. of Montreal	1872
Hartford Steam Boiler	1866
Home Plate Glass of Washington, D. C.	1882
Indiana of Indianapolis	1851
London Guarantee & Accident	1869
Massachusetts Accident	1883
Metropolitan Casualty	1874
North American Accident	1886
Ocean Accident & Guarantee	1871
Travelers	1864
Union of Indianapolis	1849
U. S. Plate Glass, Philadelphia	1867
Zurich General Accident & Liability	1872

FROM 25 TO 50 YEARS

American Automobile	1912
American Bonding	1894
American Casualty	1903
American Credit Indemnity	1893
American Fidelity, Montpelier, Vt.	1900
Boston Casualty	1910
Car & General of London	1903
Commercial Casualty	1909
Continental Casualty	1897
Federal Life	1900
Federal Life & Casualty	1906
Fidelity & Deposit	1890
Globe Indemnity	1911
Great Northern	1909
Great Western	1894
Home of Hawaii	1911
Hoosier Casualty	1907
Income Guaranty	1905
International Fidelity, N. J.	1905
Inter-Ocean Casualty	1903
Kansas Bankers Surety of Topeka	1910
Kentucky Central Life	1902
Life & Casualty, Tenn.	1903
Loyal Protective	1909
Maryland Casualty	1898
Massachusetts Bonding	1907
Massachusetts Protective	1895
Medical Protective	1910
National Accident	1903
National Life & Accident	1898
National Casualty	1904
New Amsterdam Casualty	1899
New York Casualty	1891
Peerless Casualty, N. H.	1903
Pioneer	1899
Preferred Accident	1891
Provident Life & Accident	1887
Royal Indemnity	1916
Time	1910
Travelers Indemnity	1903
United Casualty	1887
United States Casualty	1895
United States Fidelity & Guaranty	1896
United States Guarantee	1890
Vermont Accident	1906
Western Surety, S. D.	1900

Epigrammatic Traffic Rules

The American Surety has devised some epigrammatic traffic rules:

1. Weigh your right to your right of way.
- 2.—Mixing your signals mixes the driver in back.
3. Time passes on a hill and gets by but you're not time.
4. Light travels 186,000 miles a second. You car can't compete successfully.
5. Caution contributes to longevity.
6. That one word on a stop-sign is addressed to you.
7. The right side of the road is the right side of the road.
8. Good brakes give you a break.
9. Buses and trucks usually win the argument.
10. Load up with all the automobile insurance you can carry.

You will know all about the accident and health contracts of the companies doing 95 percent of the commercial business if you have a Time Saver. Order this \$4 book now through this magazine.

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other hazards not covered by fire insurance. But for that *one man*, we would be ruined."

The "one man" of this story was an F. & G. FIRE representative—again demonstrating that the agent or broker who persists in selling his clients needed protection is acclaimed for his persistence when a loss occurs.

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